APPROVED
by the Executive Board of the
Joint Stock Company LatRailNet
in a meeting held on the 30 June 2017,
min. no. JALP-1.2/31-2017

REGULATIONS

Riga

30 June 2017 No. JALP-7.6/01-2017

The Charging Scheme

Issued under Article 11.(1), (8) and (10),
Article 13.[1](3) and Article 13.[2]
of the Railway Law

I. General issues

1. These regulations (hereinafter referred to as the Scheme) lay down the procedure how the charging body sets charges for the minimum access package mentioned in Article 12.[1] of the Railway Law and for the access to the public-use railway infrastructure (hereinafter referred to as the railway infrastructure) connecting service facilities (hereinafter referred to as the infrastructure charges) according to the limits of the provided service volume reported in the actual edition of the railway infrastructure network statement.

(amended by regulations of 30.09.2019.)

2. Following terms are used in the Scheme:

2.1. **activity** – one of several operations or the only operation that is necessary in order to provide service groups referred to in Paragraph 6 of the Scheme;

2.2. **assets register** – a register, developed and maintained by the infrastructure manager according to the fourth part of Article 10.[1] of the Railway Law, of its assets and the assets it is responsible for;

(amended by regulations of 29.04.2019.)

2.3. **costs of performing the essential functions** – the amount of funding that is necessary in order to provide the essential functions (decision-making on capacity and train path allocation, including both the definition and the assessment of availability and the assignment of individual train paths; and decision-making on infrastructure charging, including determination and collection of the infrastructure charges) required by the charging body, taking into account the general financial and personnel management principles of the infrastructure manager's concern;

2.4. **performance indicators** – quantitative indicators that can be used in order to plan, determine and measure activity performance on the basis of efficient, transparent and non-discriminatory principles;

(amended by regulations of 02.07.2025.)

2.5. **contractual agreement** – an agreement concluded between the Ministry of Transport and the infrastructure manager in accordance with Article 10.[2] of the Railway Law;

2.5.[1] **Economic European Area (hereinafter referred to as EEA)** – is a free trade area consisting of the European Union countries and three European Trade Association countries (Iceland, Liechtenstein and Norway), that are formed the internal market with uniform organization rules;

(amended by regulations of 02.07.2025.)

2.6. *(deleted as amended by regulations of 02.07.2025.)*

2.7. **infrastructure charge differentiation tools** – the differentiation tools referred to in the fifth, sixth, ninth, tenth, eleventh, fourteenth and fifteenth chapters of this Scheme which provide a different charging level under different market conditions, depending on the railway infrastructure service quality, utilization rate and other features;

(amended by regulations of 29.04.2019.)

2.8. **infrastructure manager** – the manager of the railway infrastructure – State Joint Company "Latvijas dzelzceļš" (hereinafter referred to also as LDZ);

(amended by regulations of 30.09.2019.)

2.9. **through rate offer** – transport services provided under uniform payment conditions throughout the respective logistic chain;

(amended by regulations of 29.04.2019.)

2.9.[1] **method of cost allocation** – the method developed by the infrastructure manager for allocating costs to various service categories provided to railway undertakings according to the provisions of the fifth part of Article 10.[1] of the Railway Law;

(amended by regulations of 29.04.2019.)

2.10. **cost element** – a set of homogeneous costs that describe the impact of the production factor on full costs, such as payroll and social contributions, materials, fuel, electricity, other costs;

2.11. **cost group** – the costs of providing an activity;

2.12. **cost driver** – a factor linking cost elements with services based on a causal relationship (number of services provided or consumption of resources, etc.);

2.13. *(deleted as amended by regulations of 02.07.2025.)*

2.14. **capacity allocation plan** – a document approved by the capacity allocation body, which reflects its decision on the allocation of railway infrastructure capacity, indicating the number of train paths allocated to the applicants according to the list of railway line routes contained in the capacity allocation Scheme, as well as the approximate train departure or arrival times, if any mentioned in the application;

(amended by regulations of 03.08.2023.)

2.15. **capacity allocation body** – the performer of the essential functions of the infrastructure manager declared in the railway infrastructure network statement, that in accordance with the Railway Law is responsible for the allocation of infrastructure capacity and the assignment of the train paths;

2.16. **charging body** – the performer of the essential functions of the infrastructure manager declared in the railway infrastructure network statement, that in accordance with the Railway Law is responsible for the infrastructure charging;

2.16.[1] *(deleted as amended by regulations of 02.07.2025.)*

2.17. **service groups** – the volume of train services specified by the charging body, depending on the train service impact to the railway infrastructure when determining the average direct unit cost[1];

2.18. **current values** – the value of assets in the primary accounting system;

[1] hereinafter referred in accordance to implementing Regulation

2.19. **reference period** – a calendar period equivalent to the length of the programming period prior to the programming period where the infrastructure manager has access to transparent, robust and objectively measurable data;

2.20. **full costs** – the part of total infrastructure manager's costs that is attributed to the minimum access package and to the access to the railway infrastructure connecting service facilities in accordance with the method of cost allocation;

(amended by regulations of 29.04.2019.)

2.21. **programming period** – a period that is analyzed when making a decision on infrastructure charges;

2.22. **primary accounting system** – the infrastructure manager's accounting system and related management accounting systems;

2.23. **Implementing regulation** – Commission implementing regulation (EU) 2015/909 of 12 June 2015 on the modalities for the calculation of the cost that is directly incurred as a result of operating the train service;

2.24. **regulatory body** – the authority that carries out regulatory functions in the field of railways in accordance with the Railway Law – the State Railway Administration;

2.24.[1] *(deleted as amended by regulations of 02.07.2025.)*

2.24.[2] **reserved train path** – a train path with set regularity of train movements and train movement schedule for which the applicant has made a railway infrastructure capacity assurance payment;

(amended by regulations of 30.09.2019.)

2.24.[3] **Riga railway node** – defined in the current edition of the railway infrastructure manager's network statement as a unified complex of railway infrastructure objects (registration points) including the stations, way stations and infrastructure sections;

(amended by regulations of 29.12.2025.)

2.25. *(deleted as amended by regulations of 02.07.2025.)*

2.25.[1] **international 1520 traffic** – train traffic services related to freight transportation from or to the third countries where the railway network gauge is 1520 millimeters, in accordance with the exception provided by the ninth part of Article 11.[1] of the Railway Law;

(amended by regulations of 29.04.2019.)

2.25.[2] **network performance scheme** – JSC LatRailNet regulations No. JALP-7.6/03-2017 "The public-use railway infrastructure network performance scheme" of 30 June 2017;

(amended by regulations of 29.04.2019.)

2.26. *(deleted as amended by regulations of 02.07.2025.)*

2.27. **historical values** – asset values determined on the basis of the amount paid by the infrastructure manager and recorded in the primary accounting system at the time of acquisition of the assets. Upon a reduction of liability (if all or part of the liability of the infrastructure manager is taken over by another entity), the infrastructure manager has to reduce the value of the assets and the corresponding direct costs on a network-wide basis accordingly;

2.28. **overhead costs** – costs that cannot be attributed to a specific activity, based on the principles of causality;

2.29. **railway line route** – a railway line between hub stations, where disbanding of the train composition, change of railway undertaking, change of the direction of train movement can be carried out (the list of railway line routes is contained in Appendix 3 to the capacity allocation Scheme);

(amended by regulations of 03.08.2023.)

2.30. **intermodal transport unit** – a container, swap body, semi-trailer, trailer or other similar unit intended for the transportation of goods by two or more modes of transport without reloading of the goods;

(amended by regulations of 02.07.2025.)

2.31. **HKN code** – an eight-digit Harmonized Commodity Nomenclature code used for classifying goods in international railway transport under the SMGS system. The HKN code is based on the Harmonized System (HS): the first six digits correspond to the HS code, while the last two digits specify the type of goods according to railway requirements. The complete list of Harmonized Commodity Nomenclature is available on the infrastructure manager's website at: https://www.ldz.lv/;

(amended by regulations of 02.07.2025.)

2.32. **wagon destination station** – the final station of the wagon as indicated in the wagon consignment note (located within the territory of Latvia, the EEA, or outside thereof);

(amended by regulations of 02.07.2025.)

2.33. **wagon departure station** – the departure station of the wagon as indicated in the wagon consignment note (located within the territory of Latvia, the EEA, or outside thereof).

(amended by regulations of 02.07.2025.)

3. The Scheme is applied to the infrastructure manager, applicants, all railway undertakings and performers of individual technological processes (upon an assignment by a railway undertaking, the infrastructure manager, an operator of a service facility, a consignor or consignee) that are granted the rights to access the railway infrastructure in accordance with Article 5.[1] of the Railway Law.

4. The charging body sets the infrastructure charges in accordance with the direct cost of the service groups within the meaning of the Implementing regulations, levies mark-ups, if the market can bear this, and provides differentiation so that different railway undertakings providing comparable services in similar market segments are subjected to equivalent and non-discriminatory infrastructure charges.

5. The charging body determines the direct costs[2] without prejudice to the provisions on the balance between income and expenditure of the infrastructure manager as set forth in Article 9(4) of the Railway Law.

II. Assumptions for calculating infrastructure charges

6. The infrastructure manager, in accordance with the method of cost allocation, from its total costs allocates the full costs necessary to ensure common access rights throughout the railway infrastructure to the minimum access package and to the access to railway infrastructure connecting service facilities (hereinafter marked as **PI**)[3]. The infrastructure manager allocates PI to the following service groups $_{gr}$ using the cost drivers referred to in Annex 1:

6.1. $_{\mathbf{pas}}$ – minimum access package for <u>providing passenger traffic</u> which includes the railway infrastructure that provides the acceptance, handling and dispatching of passenger trains;

6.2. $_{\mathbf{krav}}$ – minimum access package for <u>providing freight traffic</u> which includes the railway infrastructure that provides the acceptance, handling and dispatching of freight trains, as well as an access to the railway infrastructure connecting service facilities where freight trains are assembled or disassembled and where rolling stock is transferred for loading, unloading or to the related sidings.[4]

[2] hereinafter referred in accordance to implementing Regulation
[3] the method for designations used in this Scheme is provided in Annex 7
[4] payment conditions for the access to the railway infrastructure connecting service facilities where train suspension and wagon collection takes place according to the railway network performance scheme

(amended by regulations of 29.04.2019.)

7. If the charging body finds and justifies to the regulatory body that the values or parameters referred to in Article 5(2) of the Implementing regulation are significantly different in different parts of the infrastructure manager's railway network, the infrastructure manager provides the information for the calculation of the infrastructure charges referred to in Paragraph 16 for each such part of the railway network separately and indicates drivers for their allocation or alignment.

8. For the service groups referred to in Paragraph 6 of the Scheme, the infrastructure manager allocates the costs of railway infrastructure maintenance[5] and renewal[6] in accordance with their functional significance in compliance with the Railway Law, the Railway Technical Operation Rules, the indicative railway infrastructure development Strategy approved by the Cabinet of Ministers, the infrastructure manager's business plan (including investment and financial programs) and contractual agreement conditions.

9. If specified in the contractual agreement, the charging body either applies the incentives for the infrastructure manager to reduce the costs of railway infrastructure maintenance and renewal, as well as the level of infrastructure charges, with due regard to safety and to maintaining and improving the quality of the infrastructure service or applies the costs of efficient service provision for the purposes of calculation.

10. The charging body for charging purposes uses documentation issued by the infrastructure manager in accordance with the second prim part of Article 5 of the Railway Law regarding the use of railway infrastructure which is publicly available on the infrastructure manager's website on the internet at the time of charging.

(amended by regulations of 29.04.2019.)

11. The charging body for charging purposes uses the infrastructure manager's asset register accompanied by the details of expenditure on renewal and upgrading of the railway infrastructure to assess the financing necessary to repair or replace the assets included therein.

12. The infrastructure manager, in accordance with the requirements of the Implementing regulation, provides information on assets in historic values or, where such values are not available or where current values are lower, in current values.

13. The infrastructure charge calculation can include only those costs for which payments were or will be made by the infrastructure manager, as well as costs of performing the essential functions. Costs or asset values that are financed by the state, a municipality, a foreign country, the European Union, other international organizations or institutions, are excluded from the calculation. The infrastructure manager may adjust normalization coefficients indicated in Annex 2 to relate the expenses of the reference period to the programming period.

(amended by regulations of 03.08.2023.)

14. The infrastructure manager can provide estimated, current or replacement values of costs for the infrastructure charging needs if they can be transparently, robustly and objectively measured in

[5] hereinafter „maintenance" means a technological process that the infrastructure manager carries out in order to maintain the condition and capability of the existing infrastructure. The concept is equal to "*maintenance*" used in the Railway Law and in the Commission Implementing Regulation (EU) 2015/1100 of July 7, 2015 on the reporting obligations of the Member States in the framework of rail market monitoring.

[6] hereinafter „renewal" means a technological process on a major substitution work on the existing infrastructure which does not change its overall performance. Renewal costs are recorded in full in the primary accounting system when the project is delivered and are written off gradually.

accordance with the qualitative parameters referred to in Paragraph 21 of the Scheme, and the following planning assumptions are respected:

14.1. the seasonal, technological and cyclical fluctuations of the programmed performance indicators;

14.2. the direct costs of maintenance and renewal on a network-wide basis correspond to the qualitative parameters set for the railway infrastructure in the contractual agreement;

14.3. the costs of risk management of activities that are not related to operating the train service (changes in external temperature above or below the forecasted values; cracks and defects in materials; natural corrosion, destruction of constructive materials or degradation by gravity), of unforecasted impacts of natural processes (earthquakes, landslides, water leaks, geological fractures, windstorms, snowstorms etc.), as well as of human factors (construction and operating staff errors, third parties' intentional or unintentional activity, etc.) are excluded from the composition of the full costs;

(amended by regulations of 29.04.2019.)

14.4. no non-related to the infrastructure charges costs are incurred as a result of maintenance or renewal to the public, railway undertakings, applicants or railway infrastructure final consumers;

14.5. the stages of the railway infrastructure object lifecycle (post creation, post modernization, supposed for closure, etc.) are observed.

15. Efficient, transparent and non-discriminatory principles are adhered to if after consulting the applicants and the infrastructure manager, charging body, within the time limit indicated in the Scheme, develops and publishes on its website on the internet the quantitative criteria that can be assessed, predicted, controlled and influenced by the persons to whom they are applied to and which are used to bring the Scheme closer to the optimal use of the railway infrastructure in accordance with the legislation referred to in Paragraph 8 of the Scheme.

III. Information for calculating the infrastructure charges

16. The charging body, in order to decide on the infrastructure charges for a programming period, requires from the infrastructure manager information as follows:

16.1. a detailed description of the cost allocation method;

(amended by regulations of 29.04.2019.)

16.2. actual full railway infrastructure maintenance costs in the reference period, following the structure of the cost groups referred to in Annex 1 of the Scheme;

16.3. the forecasted full railway infrastructure maintenance costs in the programming period, following the structure of the cost groups referred to in Annex 1 to the Scheme and indicating the payments or allocated funds for the infrastructure services, for maintenance and renewal, as well as for dealing with existing maintenance and renewal backlogs foreseen in the contractual agreement (if any);

(amended by regulations of 29.04.2019.)

16.4. costs that according to the Implementing regulation are considered ineligible (subject to the explanations set forth in Paragraph 17 of the Scheme) within the costs referred to in Sub-paragraphs 16.2, 16.3. and 16.8. of the Scheme, that are allocated to the cost groups using cost drivers referred to in Annex 1;

16.5. the analysis created by the infrastructure manager for the actual (or assessed, if historical data is not available) maintenance and renewal activities referred to in Sub-paragraph 17(1) of the Scheme and their costs at railway sections where the train movement has not taken place for at least two years. The information about attributable part of these activities to traffic if the volume of these activities changes partly, depending on the volume of operating trains;

16.6. the costs of backlogged maintenance (provided by the contractual agreement) of assets which will be phased out of use and, therefore, trigger different financial flows in the programming period, as well as the amount of previous maintenance and renewal backlog, indicating its reasons;

16.7. the terms of the contractual agreement, if they concern this Scheme, the amount of eligible costs or incentives to reduce the costs or the infrastructure charge level;

16.8. detailed information on the costs of renewal of the railway infrastructure in the programming and reference periods included in the infrastructure manager's assets register as well as the calculation of the value of assets, as referred to in Paragraph 12 of the Scheme, if it is necessary to ensure compliance with the Implementation regulation;

16.9. the forecasted performance indicators provided by the Scheme for the programming period, noting the differences (if any) compared to the volumes agreed in the contractual agreement, as well as actual performance indicators in the reference period;

16.10. the information necessary to assess the relevance and level of the markups;

16.11. the information necessary for the calculation of the infrastructure manager's profit margin:

16.11.1. $\mathbf{r_d}$ – actual infrastructure manager's average weighted long-term loan rate for the reference period;

(amended by regulations of 29.04.2019.)

16.11.2. **E** – the value of the equity at the end of the reference period;

(amended by regulations of 29.04.2019.)

16.11.3. **D** – the value of the borrowed capital at the end of the reference period;

(amended by regulations of 29.04.2019.)

16.12. a capacity-enhancement plan, if any;

16.13. the distribution of $\mathbf{PI_{gr}}$ values by cost elements in the programming and reference periods as well as the explanation of the normalization coefficients used and events that create or explain deviations between the information provided for the programming and reference periods;

16.14. the payroll directly related to the provision of a train service on a specific section of the railway infrastructure if the applicant in the programming period requests it outside the working hours stated in the contractual agreement;

16.15. the information that is necessary for the charging body in case of the application of charge differentiation tools:

16.15.1. the information on the impact of the application of a charge differentiation tool on the performance indicators and infrastructure manager's costs in the programming period or in the period specified by the charging body;

16.15.2. the information on the planned changes in the performance of railway infrastructure in the programming period or in the period specified by the charging body, when it is planned to apply a charge differentiation tool;

16.15.3. other additional information that may be relevant for decision-making on the application of a specific charge differentiation tool;

16.16. other additional information and documents explaining and justifying the information listed in Paragraph 16 of the Scheme and which is required by the charging body for decision-making on infrastructure charges for the programming period.

16.17. the information and documents explaining the information about the limits of the service volume in the programming period included in the actual edition of the railway infrastructure network statement or explaining the deviations from it.

(amended by regulations of 30.09.2019.)

17. When determining the ineligible costs referred to in Sub-paragraph 16(4) of the Scheme, it should be assumed that:

17.1. the costs which the infrastructure manager must bear even in the absence of train movements (including those referred to in parts (h), (k), (1), (n) and (o) of Article 4(1) of the Implementing regulation) are maintenance and renewal costs on a network-wide basis according to their actual (or forecasted, if historical data is not available) amount in sections of the railway infrastructure where the train movement has not taken place for at least two years[7];

17.2. the costs that do not relate to the payments made by the infrastructure manager are the costs covered by financing that the infrastructure manager does not have to repay (European Union funds, state co-financing, donations, etc.);

17.3. the costs or cost centers that are not directly linked to the provision of the minimum access package or to access to the railway infrastructure connecting service facilities are the costs incurred by the infrastructure manager providing other services and providing other business activities;

17.4. the costs of land acquisition are the costs of land acquisition, as well as the payments of taxes and levies for the land owned;

17.5. the costs of fixed asset acquisition are determined in accordance with the assets accounting policy of the infrastructure manager;

17.6. the costs of fixed asset selling include the write-down of the residual value of fixed assets, as well as the costs incurred in the sale of fixed assets, such as valuation services, the supply of sold fixed assets to the buyer;

17.7. the costs of fixed asset dismantling are the costs of dismantling the railway infrastructure elements;

17.8. the recultivation costs are the costs of land recultivating after the dismantling of the railway infrastructure elements;

17.9. the renting costs are lease payments for the railway infrastructure objects not owned by the infrastructure manager that are managed and used by the infrastructure manager to provide the services referred to in Paragraph 6 of the Scheme, except maintenance and renewal costs for the leased railway infrastructure objects. The costs of renting machinery and tools related to the maintenance and renewal of the railway infrastructure are attributed to the relevant activities;

(amended by regulations of 29.04.2019.)

17.10. the network-wide overhead costs are administrative costs of the infrastructure manager, which according to the method for cost allocation are attributed to the overhead costs of the services referred to in Paragraph 6 of the Scheme;

(amended by regulations of 29.04.2019.)

17.11. the financing costs are actual costs incurred by the infrastructure manager to attract funds (interest payments), as well as costs associated with fluctuations of exchange rates;

17.12. the costs related to technological progress or obsolescence are the value of the fixed assets written-down due to obsolescence as a result of depreciation or redemption;

17.13. the costs of intangible assets are costs of using licenses and trademarks;

17.14. the costs of information, non-track side located communication equipment or telecommunication equipment are costs of information technology and data transmission associated with the maintenance and renewal of the railway infrastructure and with the train movement;

[7] information on the train movement as referred to in this paragraph is derived from the capacity allocation plan. It is considered that the train movement at the railway infrastructure line no longer occurs if railway undertakings aren't using the allocated railway infrastructure capacity at least during the current period (year) of capacity allocation, nor have applied for the next period.

17.15. the costs related to individual incidences of force majeure, accidents and service disruptions, among other are costs associated with the payment of a penalty and the liquidation of accidents;

17.16. the depreciation which is not determined on the basis of real wear and tear of the infrastructure due to the train service operation is the depreciation of railway infrastructure elements calculated in or outside of the accounting, considering the principle that the fixed asset depreciates irrespective to the physical degradation caused by train traffic. The depreciation of fixed assets that are not railway infrastructure elements but are related to the maintenance and renewal of the railway infrastructure are attributed to the relevant activities.

18. The charging body, in order to decide on the infrastructure charges for a programming period infrastructure charge, requires information from the applicants as follows:

18.1. the information about the impact of the railway infrastructure management principles (provided by the contractual agreement) and the capacity-enhancement plan on applicants' costs, if the capacity allocation body has reported that a part of infrastructure is congested, and a relevant capacity-enhancement plan has been developed;

(amended by regulations of 29.04.2019.)

18.2. the completed questionnaires for evaluation of market conditions of transport services and evaluation of the performance indicators in the programming period;

18.3. the proposals for specific provisions (if railway undertakings provide services under public or local government contracts in accordance with the Railway Law) to ensure the benefits of the services to the final consumer;

18.4. the information that is necessary for the application of charge differentiation tools and assessment of their impact on the applicant's performance indicators in the programming period or in the period specified by the charging body;

18.5. other additional information and documents explaining and justifying the information listed in Paragraph 18 of the Scheme and which is required by the charging body for decision-making on infrastructure charges for the programming period.

19. The charging body, in order to decide on the infrastructure charges for a programming period, may request additional information from independent experts to assess transport service market conditions or to verify the compliance of the information with the parameters referred to in Paragraph 21 of the Scheme.

20. The charging body when requesting information:

20.1. observes the principle of equality – requires homogeneous data in the same way from all data holders;

20.2. verifies the relevance of the requested data with the information referred to in Paragraph 8;

20.3. provides data comparability with other time periods (including data seasonal and other fluctuations) and industries;

20.4. gives a reasonable time for data preparation and, if necessary, for clarifying.

21. The charging body determines whether the information provided is transparent, robust, and objective, regarding the following parameters:

21.1. completeness of data (transparency) – the amount of data submitted corresponds to the requested amount, the data structure corresponds to the requested structure, deviations are explained;

21.2. data reliability and consistency (robustness) – the data submitted interact with each other and with information held by the charging body;

21.3. data quality (objectiveness) – the data submitted correspond to the criteria for the optimal use of the railway infrastructure in accordance with the provisions of Paragraph 8 of the Scheme.

22. If the submitted data does not comply with the provisions of Paragraph 21 of the Scheme, the charging body requires the submitter of the relevant data to clarify the information. If the repeatedly requested information has not been submitted within the deadline set by the charging body or not submitted in accordance with Paragraph 21 of the Scheme, the charging body notifies the regulatory body for taking a decision.

22.[1] The charging body determines the charges for performing the essential functions of the infrastructure manager and attributes these charges to the service of performing the essential functions provided for railway undertakings and applicants in accordance with the principles provided by Annex 8.

(amended by regulations of 29.04.2019.)

22.[2] If the charging body, according to the information mentioned in Subparagraph 16.17, has taken a decision on the service volume that is different from the limits of the service volume set in the actual edition of the railway infrastructure network statement, it provides information about the service volume limits included in the infrastructure charges and the reasons for their differences in its decision on infrastructure charging.

(amended by regulations of 30.09.2019.)

IV. Calculation of direct costs

23. The charging body calculates average direct unit costs for freight traffic $\mathbf{TI}_{\text{param krav}}$ as a combination of four parameters:

23.1. $\mathbf{TI}_{\text{ceļ uztur krav}}$ – the average direct maintenance and train operating costs of the railway infrastructure providing the minimum access package for one train km travelled in the programming period within freight traffic:

$$\mathbf{TI}_{\text{ceļ uztur krav}} = \mathbf{KTI}_{\text{ceļ uztur krav}} / \mathbf{DR}_{\text{ceļ uztur krav}}, \text{ where}$$

$\mathbf{KTI}_{\text{ceļ uztur krav}}$ – the network-wide direct maintenance and train operating costs of the railway infrastructure providing the minimum access package in the programming period within freight traffic;

$\mathbf{DR}_{\text{ceļ uztur krav}}$ – the performance indicator of the number of train km in the programming period within freight traffic.

23.2. $\mathbf{TI}_{\text{mez uztur krav}}$ – the average direct maintenance and train operating costs of the railway infrastructure providing access to the railway infrastructure connecting service facilities for providing the railway transportation of one wagon within freight traffic:

$$\mathbf{TI}_{\text{mez uztur krav}} = \mathbf{KTI}_{\text{mez uztur krav}} / \mathbf{DR}_{\text{mez uztur krav}}, \text{ where}$$

$\mathbf{KTI}_{\text{mez uztur krav}}$ – the network-wide direct maintenance and train operating costs of the railway infrastructure providing access to the railway infrastructure connecting service facilities in the programming period within freight traffic;

$\mathbf{DR}_{\text{mez uztur krav}}$ – the performance indicator of the number of wagons used in railway transport during the programming period in freight traffic, representing the total number of freight wagons registered as part of train sets operating within domestic transport, within the EEA and within international 1520 traffic.

(amended by regulations of 02.07.2025.)

23.3. $\mathbf{TI}_{\text{atj krav}}$ – the average direct renewal costs of the railway infrastructure for one gross tonne km travelled in the programming period within freight traffic:

$$\mathbf{TI}_{\text{atj krav}} = \mathbf{KTI}_{\text{atj krav}} / \mathbf{DR}_{\text{atj krav}}, \text{ where}$$

KTI $_{atj\ krav}$ – the network-wide direct renewal costs of the railway infrastructure in the programming period within freight traffic;

DR $_{atj\ krav}$ – the performance indicator of the number of gross tonne km in the programming period within freight traffic.

23.4. **TI** $_{bfv\ krav}$ – the direct costs of performing the essential functions of the infrastructure manager for one allocated route of railway lines in freight transportation.

(amended by regulations of 03.08.2023.)

23.[1] The charging body calculates average direct unit costs for one train km travelled in the programming period within freight traffic **TI** $_{param\ krav\ s}$ for market segments, to which direct unit costs are applied as a single combined cost parameter $_{param}$ component for all service groups $_{gr}$ mentioned in the Subparagraph 6.2. of the Scheme, are calculated in accordance with the following formula:

$$\mathbf{TI}_{param\ krav\ s} = (\mathbf{KTI}_{ceļ\ uztur\ krav} + \mathbf{KTI}_{mez\ uztur\ krav} + \mathbf{KTI}_{atj\ krav}) / \mathbf{DR}_{ceļ\ uztur\ krav}\text{, where}$$

TI $_{param\ krav\ s}$ – the average direct maintenance, renewal and train operating costs of the railway infrastructure providing the minimum access package and access to the railway infrastructure connecting service facilities for one train km travelled in the programming period within freight traffic for market segments to which direct unit costs are applied as a single combined cost parameter $_{param}$ component for all service groups $_{gr}$ mentioned in the Subparagraph 6.2. of the Scheme;

KTI $_{ceļ\ uztur\ krav}$ – the network-wide direct maintenance and train operating costs of the railway infrastructure providing the minimum access package in the programming period within freight traffic;

KTI $_{mez\ uztur\ krav}$ – the network-wide direct maintenance and train operating costs of the railway infrastructure providing access to the railway infrastructure connecting service facilities in the programming period within freight traffic;

KTI $_{atj\ krav}$ – the network-wide direct renewal costs of the railway infrastructure in the programming period within freight traffic;

DR $_{ceļ\ uztur\ krav}$ – the performance indicator of the number of train km in the programming period within freight traffic.

(amended by regulations of 29.12.2025.)

24. The charging body calculates the average direct unit costs for passenger traffic as a combination of four parameters:

24.1. **TI** $_{ceļ\ uztur\ pas}$ – the average direct maintenance and train operating costs of the railway infrastructure providing the minimum access package for one train km travelled in the programming period within passenger traffic:

$$\mathbf{TI}_{ceļ\ uztur\ pas} = \mathbf{KTI}_{ceļ\ uztur\ pas} / \mathbf{DR}_{ceļ\ uztur\ pas}\text{, where}$$

KTI $_{ceļ\ uztur\ pas}$ – the network-wide direct maintenance and train operating costs of the railway infrastructure providing the minimum access package in the programming period within passenger traffic[8];

DR $_{ceļ\ uztur\ pas}$ – the performance indicator of the number of train km in the programming period within passenger traffic;

24.2. **TI** $_{atj\ pas}$ – the average direct renewal costs of the railway infrastructure for one gross tonne km travelled in the programming period within passenger traffic:

[8] in the value of **KTI ceļ uztur pas** including costs that are incurred by the passenger traffic in the sections of the railway lines where the access connecting infrastructure to the service facilities is provided

$$\mathbf{TI}_{\text{atj pas}} = \mathbf{KTI}_{\text{atj pas}} / \mathbf{DR}_{\text{atj pas}}, \text{ where}$$

KTI $_{\text{atj pas}}$ – the network-wide direct renewal costs of the railway infrastructure in the programming period within passenger traffic;

DR $_{\text{atj pas}}$ – the performance indicator of the number of gross tonne km in the programming period within passenger traffic;

24.3. **TI** $_{\text{bfv pas}}$ – the direct costs of performing the essential functions of the infrastructure manager for one allocated route of railway lines in passenger transportation;

(amended by regulations of 03.08.2023.)

24.4. **TI** $_{\text{elektr pas}}$ – the average direct operating, maintenance and renewal costs of traction electrical supply equipment of the railway infrastructure for one train km travelled in the programming period within passenger traffic (calculated only for passenger trains that use electric traction);

$$\mathbf{TI}_{\text{elektr pas}} = \mathbf{KTI}_{\text{elektr pas}} / \mathbf{DR}_{\text{elektr pas}}, \text{ where}$$

KTI $_{\text{elektr pas}}$ – the network-wide direct operating, maintenance and renewal costs of traction electrical supply equipment of the railway infrastructure in the programming period within passenger traffic;

DR $_{\text{elektr pas}}$ – the performance indicator of the train km in transportation with trains that use electric traction in the programming period within passenger traffic.

(amended by regulations of 29.04.2019.)

25. The network-wide direct costs of the railway infrastructure **KTI** $_{\text{gr}}$ are calculated as the difference between the full costs **PI** $_{\text{param gr}}$ of each parameter $_{\text{param}}$ of service groups $_{\text{gr}}$ referred to in Paragraph 6 of the Scheme and the costs **NI** $_{\text{param gr}}$ included in each **PI** $_{\text{param gr}}$ cost parameter, which according to the Implementing regulation are considered ineligible:

$$\mathbf{KTI}_{\text{ceļ uztur gr}} = \mathbf{PI}_{\text{ceļ uztur gr}} - \mathbf{NI}_{\text{ceļ uztur gr}};$$

$$\mathbf{KTI}_{\text{mez uztur krav}} = \mathbf{PI}_{\text{mez uztur krav}} - \mathbf{NI}_{\text{mez uztur krav}};$$

$$\mathbf{KTI}_{\text{atj gr}} = \mathbf{PI}_{\text{atj gr}} - \mathbf{NI}_{\text{atj gr}};$$

$$\mathbf{KTI}_{\text{elektr pas}} = \mathbf{PI}_{\text{elektr pas}} - \mathbf{NI}_{\text{elektr pas}}.$$

(amended by regulations of 29.04.2019.)

26. The direct costs of performing the essential functions of the infrastructure manager **TI** $_{\text{bfv gr}}$ are calculated as an increase in work intensity for the previously unplanned or unforeseen allocation of one additional railway line route and they are expressed as a percentage (in total no more than 200%) of the salary of specific capacity allocation body employees rates and additions for social insurance, based on the charging body's assumptions about the scope of additional work and in compliance with the restrictions set in the third part of Article 13 ^{1} of the Railway Law :

$$\mathbf{TI}_{\text{bfv gr}} = \mathbf{\Delta PI}_{\text{bfv gr}} / \mathbf{\Delta DR}_{\text{bfv gr}}.$$

(amended by regulations of 03.08.2023.)

V. Additional charge which reflects the scarcity of railway infrastructure capacity

27. The charging body decides to add a charge which reflects the scarcity of railway infrastructure capacity to the value **M** $_{\text{param gr s}}$, in a specified part of the railway infrastructure during congestion periods by setting the scarcity charge **M** $_{\text{pārslodz param gr s}}$ (hereinafter – scarcity charge) if:

27.1. in the case referred to in Article 27(9) of the Railway Law, the capacity allocation body has notified the known applicants, railway undertakings and the infrastructure manager that over the course

of coordination and consultation with applicants it has not been possible to meet the railway infrastructure capacity requests adequately;

27.2. a railway infrastructure capacity-enhancement plan is produced, and the activities covered therein are executed or an authorization for the application of scarcity charges is received from the regulatory body in the case when the railway infrastructure capacity-enhancement plan cannot be executed due to the reasons that cannot be affected or the alternatives available are not economically or financially viable;

27.3. the full maintenance and renewal costs are reduced by the cost values incurred by the infrastructure manager upon its proposal to change the train path in a planned or other way. This condition does not apply if the infrastructure manager has reimbursed these additional costs for the railway undertakings or the train path change has resulted from coordination in accordance with regulations of the Cabinet of Ministers No. 472 of July 15, 2016 on the Capacity Allocation Regulations.

28. The scarcity charge does not apply if the capacity allocation body overcomes the reasons of the railway infrastructure congestion during the train path assignment process in accordance with the scheme for the allocation of the public-use railway infrastructure capacity issued by the capacity allocation body.

29. The scarcity charge $\mathbf{M}_{\text{pārslodz param gr s}}$ for a particular part of the railway infrastructure during the period of congestion is determined in accordance with the following formula:

$$\mathbf{M}_{\text{pārslodz param gr s}} = \mathbf{M}_{\text{param gr s}} + (\Delta\mathbf{PI}_{\text{pārslodz param gr}} / \mathbf{DR}_{\text{pārslodz param gr}}), \text{ where}$$

$\mathbf{M}_{\text{pārslodz param gr s}}$ – the scarcity charge for a particular part of the railway infrastructure for a specific charging parameter within a specific market segment of a relevant service group over the congestion period;

$\mathbf{M}_{\text{param gr s}}$ – the value of the charge for a specific charging parameter within a specific market segment of a relevant service group;

$\Delta\mathbf{PI}_{\text{pārslodz param gr}}$ – changes in the full costs in the relevant programming period caused by the maintenance costs associated with the capacity-enhancement plan and the costs of attracting borrowed capital for long-term investments foreseen by the infrastructure manager;

$\mathbf{DR}_{\text{pārslodz param gr}}$ – the performance indicator for evaluating a particular cost parameter of a relevant service group for a particular part of the railway infrastructure over a congestion period.

(amended by regulations of 29.04.2019.)

VI. Charge differentiation due to the environmental effects caused by the operation of the train

30. The value of the charge for a specific charging parameter within a specific market segment of a relevant service group $\mathbf{M}_{\text{param gr s}}$ can be changed by setting the environmental charge $\mathbf{M}_{\text{vide param gr s}}$ in order to take into account the costs of the environmental impact of train traffic. The decision on the environmental charge is made in accordance with user-oriented performance targets in environmental protection foreseen in the contractual agreement, the decision of the Cabinet of Ministers (referred to in Article 11(11) of the Railway Law) on the order for the assignation of compensation, its value and payment conditions, as well as the railway environment policy and its action program issued by the regulatory body.

VII. Market segmentation and mark-ups

31. The charging body applies mark-ups to the market segments indicated in the list of market segments included in Annex 5 to the Scheme.

(amended by regulations of 29.04.2019.)

32. The charging body evaluates the relevance of the mark-ups to the market segments specified in Article 11.[1] (2) of the Railway Law and also assesses the need for further distinguishing of market segments according to commodity or passengers transported, if:

32.1. applicants in the railway infrastructure capacity applications specify specific conditions of utilization of the railway infrastructure that allow them to adapt to the final customers' preferences (obtaining additional competitive advantages) or to their technological failures that causes the infrastructure manager costs which would otherwise be eliminated and not included in the services referred to in Paragraph 6 of the Scheme (the segmentation based on the impact of different types of utilization of the railway infrastructure on the cost of railway infrastructure);

32.2. based on criteria described in Annex 3 to the Scheme, it can be concluded that the infrastructure manager's services referred to in Paragraph 6 of the Scheme to improve the criteria of final customers' preferences compared to competing modes of transport and infrastructure networks (railway undertakings' productivity-based segmentation);

32.3. environmental, accident and infrastructure costs that are not paid by competing modes of transport can be observed and there is a decision of the Cabinet of Ministers referred to in the eleventh part of Article 11 of the Railway Law on the assignation of compensation, its value and payment conditions (state decision-based segmentation).

(amended by regulations of 29.04.2019.)

33. Applicants and the infrastructure manager by X-4 deadline may provide to the charging body evidence that:

33.1. within the current market segments, the criteria laid down in Annex 3 for the foreseen market conditions in the programming period are not equivalent for different types of utilization of the railway infrastructure;

33.2. the market cannot bear the existing charge (segmentation based on the charge impact to the competitiveness of the final services);

33.3. there are market segments in which railway undertakings are not currently operating but may provide services during the programming period.

(amended by regulations of 29.04.2019.)

34. The criteria for market segmentation based on efficient, transparent and non-discriminatory principles are laid down in Annex 3.

(amended by regulations of 21.08.2020.)

35. The level of mark-up $\mathbf{MU}_{\mathbf{param\ gr\ s}}$ within a specific market segment $_s$ is defined as the difference between each parameter's $_{param}$ adjusted full cost of providing the minimum access package as well as an access to the railway infrastructure connecting service facilities $\mathbf{PI}_{\mathbf{param\ gr}}$ and the network-wide direct costs $\mathbf{KTI}_{\mathbf{param\ gr}}$, divided by the relevant performance indicator $\mathbf{DR}_{\mathbf{param\ gr}}$ and multiplying this division by the market valuation ratio $\boldsymbol{mcb}_{\mathbf{s}}$:

$$\mathbf{MU}_{\mathbf{param\ gr\ s}} = ((\mathbf{PI}_{\mathbf{param\ gr}}' - \mathbf{KTI}_{\mathbf{param\ gr}}) / \mathbf{DR}_{\mathbf{param\ gr}}) \times \boldsymbol{mcb}_{\mathbf{s}}\text{, where}$$

$\mathbf{PI}_{\mathbf{param\ gr}}'$ – the adjusted full cost value of a relevant service group for a specific cost parameter, where the infrastructure manager's financing costs are replaced with a reasonable profit margin in accordance with Sub-paragraph 35.1 of the Scheme;

$\boldsymbol{mcb}_{\boldsymbol{s}}$ – a ratio characterizing the allowable level of mark-ups in market conditions of a particular market segment;

35.1. the charging body, when setting the adjusted $\mathbf{PI}_{\mathbf{param\ gr}}'$ value, replaces the infrastructure manager's financing costs $\mathbf{F}_{\mathbf{param\ gr}}$ with reasonable profit margin $\mathbf{P}_{\mathbf{param\ gr}}$ according to the following

formula:

$$\mathbf{PI}_{\text{param gr}}\text{'} = \mathbf{PI}_{\text{param gr}} - \mathbf{F}_{\text{param gr}} + \mathbf{P}_{\text{param gr}}, \text{ where}$$

$F_{param\ gr}$ – costs mentioned in Paragraph 17.11. of the Scheme;

$P_{param\ gr}$ – the infrastructure manager's reasonable profit margin;

35.2. the valuation criteria and values of the ratio ***mcb*** **$_s$**, that characterizes the allowable level of mark-ups in the given market situation in the particular market segment, are laid down in Annex 3, and the charging body, based on efficient, transparent and non-discriminatory principles, publishes them on its website two months before the decision on the charge level. The value of the ratio for a particular market segment is determined as the maximum value from the valuation criteria **C_s**, **V_s** and **S_s**, where

C_s – a valuation criteria characterizing the impact of different types of utilization of the railway infrastructure on the costs of railway infrastructure within a particular market segment;

V_s – a valuation criteria that characterizes the productivity achieved by railway undertakings within a particular market segment;

S_s – a valuation criteria that characterizes the optimal railway competitiveness within a particular market segment.

(amended by regulations of 29.04.2019.)

36. The infrastructure manager's reasonable profit margin which provides the infrastructure manager's income from investments made and interest on loans, is calculated in accordance with the following formula:

$$\mathbf{P}_{\text{param gr}} = \mathbf{RAB}_{\text{param gr}} \times \boldsymbol{wacc}, \text{ where}$$

$RAB_{param\ gr}$ – the value of asset register at the end of the reference period[9];

Wacc – the percentage of weighted average cost of capital.

(amended by regulations of 29.04.2019.)

37. Weighted average cost of capital is calculated in accordance with the following formula:

$$\boldsymbol{wacc} = \mathbf{re} \times \mathbf{E} / (\mathbf{E} + \mathbf{D}) + \mathbf{r_d} \times \mathbf{D} / (\mathbf{E} + \mathbf{D}), \text{ where}$$

wacc – weighted average cost of capital;

r_e – return on equity, which consists of two components ($r_f + r_c$), where

r_f – risk-free rate – the average arithmetic interest rate of government long-term securities of the highest credit rating countries of the Organization for Economic Co-operation and Development (OECD), using the latest OECD report on government long-term bond rates;

r_c – pure premium, which includes a risk assessment of the country and of the industry. The country's risk is assessed as the difference between the latest 10-year bonds of the Republic of Latvia and the risk-free rate. If the actual weighted average long-term loan rates of the infrastructure manager in the reference period does not exceed the latest 10-year Latvian government bond rate, the industry's risk assessment values are not included in the calculation;

r_d – the actual weighted average long-term loan rates of the infrastructure manager;

E – the value of the equity at the end of the reference period;

[9] to allocate **$RAB_{param\ gr}$** to service groups, performance indicator of the relevant parameter is taken into account

D – the value of the borrowed capital at the end of the reference period.

(amended by regulations of 29.04.2019.)

VIII. Charges for international 1520 traffic

38. In order to obtain full cost recovery of the costs incurred, the charging body sets higher charges $\mathbf{M}_{\text{param 1520}}$ relevant to services within international 1520 traffic. Charging rules and conditions within international 1520 traffic are included in Annex 6.

(amended by regulations of 29.04.2019.)

IX. Charges in case of specific investment projects

39. The charging body may set higher charges $\mathbf{M}_{\text{infpr param gr s}}$ in case of specific investment projects that are not mentioned in the contractual agreement but increase efficiency or cost-effectiveness of applicants and if it could not otherwise be or have been achieved (hereinafter – project charges)

40. Project charges $\mathbf{M}_{\text{infpr param gr s}}$ are determined based on efficient, transparent and non-discriminatory principles, criteria of which the charging body publishes on its website within three months from the moment when the decision to start a particular investment project is taken, and calculates according to the following formula:

$$\mathbf{M}_{\text{infpr param gr s}} = \mathbf{M}_{\text{param gr s}} + \Delta\mathbf{PI}_{\text{infpr param gr}} / \mathbf{DR}_{\text{infpr param gr}}$$, where

$\mathbf{M}_{\text{infpr param gr s}}$ – the project charge regarding specific investment project for a particular part of the railway infrastructure for a specific charging parameter within a specific market segment of a relevant service group;

$\mathbf{M}_{\text{param gr s}}$ – the value of the charge for a specific charging parameter within a specific market segment of a relevant service group;

$\Delta\mathbf{PI}_{\text{infpr param gr}}$ – the changes in the full costs caused by the specific investment project (e.g. the amortization of the part of the long-term investment in the programming period that does not exceed the efficiency of the applicant's savings);

$\mathbf{DR}_{\text{infpr param gr}}$ – the performance indicator for evaluating a particular cost parameter in the relevant service group for a given part of the railway infrastructure where the specific investment project is executed.

(amended by regulations of 29.04.2019.)

X. Discounts

41. The charging body may levy a volume discount to a specific market segment $\mathbf{A}_{\text{apj param gr s}}$ if, during the programming period, the volume of traffic for a specific market segment exceeds the forecasted train km considered when determining the current charge. The volume discount for a specific charging parameter within a specific market segment of the relevant service group $\mathbf{A}_{\text{apj param gr s}}$ is determined on the level of relevant mark-up $\mathbf{MU}_{\text{param gr s}}$.

42. A charging body may levy a network loading optimization discount $\mathbf{A}_{\text{opt nosl param gr s}}$ for a particular charging parameter in the relevant service group within a specific market segment for a specific part of the railway infrastructure where, after approving the capacity allocation plan, it is determined that the demand for the railway infrastructure capacity does not reach the optimal load and where, based on efficient, transparent and non-discriminatory principles, it can be established that the

discount can stimulate the usage of the railway infrastructure capacity. Network loading optimization discount $\mathbf{A}_{\text{opt nosl param gr s}}$ is calculated according to the following formula:

$$\mathbf{A}_{\text{opt nosl param gr s}} = \frac{\left(\mathbf{DR}_{\text{param gr s}} \times \mathbf{M}_{\text{param gr s}}\right) - \mathbf{KTI}_{\text{opt nosl param gr s}}}{\mathbf{DR}_{\text{param gr s}} + \Delta\,\mathbf{DR}_{\text{opt nosl param gr s}}}$$, where

$\mathbf{A}_{\text{opt nosl param gr s}}$ – a network loading optimization discount for a particular charging parameter within a specific market segment of the relevant service group in a specific part of the railway infrastructure;

$\mathbf{M}_{\text{param gr s}}$ – the value of the charge for a specific charging parameter within a specific market segment of the relevant service group, determined by the charging body, in a specific part of the railway infrastructure where it can be established that the discount can stimulate the usage of the railway infrastructure capacity;

$\mathbf{KTI}_{\text{opt nosl param gr s}}$ – the network-wide direct costs within a specific market segment of the relevant service group that are relevant to the forecasted increase of the performance indicator $\Delta\,\mathbf{DR}_{\text{opt nosl param gr s}}$ expected as a result of levying the network loading optimization discount;

$\mathbf{DR}_{\text{opt nosl param gr s}}$ – the forecasted value of the relevant performance indicator of a specific market segment of the relevant service group in a specific part of the railway infrastructure, without providing the network optimization discount;

$\Delta\,\mathbf{DR}_{\text{opt nosl param gr s}}$ – the forecasted increase of the performance indicator within a specific market segment of the relevant service group in a specific part of the railway infrastructure expected as a result of levying the network loading optimization discount.

(amended by regulations of 23.03.2020.)

XI. Network performance supporting charges

43. The charging body applies penalties $\mathbf{M}_{\text{sankc param gr s}}$ for actions which disrupt the operation of the railway network, compensations $\mathbf{M}_{\text{komp param gr s}}$ to those who suffer losses from disruptions and bonuses $\mathbf{M}_{\text{prēm param gr s}}$, if a delay exceeds the allowable delay limit specified in Paragraph 8 of the public-use railway infrastructure network performance scheme and if delays have caused the delays of other railway undertakings' trains:

43.1. for delays mentioned in paragraphs 8.1.1. and 8.2.1.2. – 5 minutes;

43.2. for delays mentioned in paragraphs 8.2.2. and 8.2.2;

43.3. for delays mentioned in paragraph 8.2.1.1. – 15 minutes.

44. The infrastructure manager records the information about the delays and their causes set in the railway network performance scheme but does not calculate payments for them.

(amended by regulations of 30.09.2019.)

XII. Charges for capacity used for railway infrastructure maintenance

45. Charges are not applied to infrastructure manager's designated trains and rolling stock that are not involved in freight or passenger transportation by rail, but are related to the prevention or elimination of the consequences of disruption, the maintenance of the railway infrastructure, the performance of all repair operations, if the provisions of the scheme for the allocation of railway infrastructure capacity regarding maintenance notices are complied, or otherwise the conditions are applied according to the railway network performance scheme.

(amended by regulations of 29.04.2019.)

XIII. Charges for capacity used for railway technological processes

46. Charges for railway infrastructure capacity used by the rolling stock and trains of railway undertakings' and performers of individual technological processes (which operate upon an assignment by a railway undertaking, the infrastructure manager, an operator of a service facility, a consignor or consignee and which are granted access to the railway infrastructure by the agreement with the infrastructure manager) that are not involved in transportation of railway freight or passengers by railway but provide technological processes (construction, renewal and maintenance of railway infrastructure equipment, modernization and repairs of railway rolling stock, preparation of trains and locomotives for transportation, locomotive movements, etc.) $\mathbf{M}_{\text{tehpr gr}}$ are determined by the direct unit maintenance cost $\mathbf{TI}_{\text{ceļ uztur gr}}$ level.

XIV. Charge for capacity that is allocated, but not used

47. The charging body determines the charge $\mathbf{M}_{\text{rezer bfv gr}}$ for the part of the railway infrastructure capacity that is allocated in the capacity allocation plan, including if it is not used (application assurance payment), as the full cost of the unit of performance of the essential functions of the infrastructure manager:

$$\mathbf{M}_{\text{rezer bfv krav}} = \mathbf{PI}_{\text{bfv krav}} / \mathbf{DR}_{\text{bfv krav}} \text{ , where}$$

$\mathbf{PI}_{\text{bfv krav}}$ – the full cost of performing essential functions of the infrastructure manager during the programming period in the freight transportation;

$\mathbf{DR}_{\text{bfv krav}}$ – performance indicator of the number of railway line routes allocated in the capacity allocation plan during the programming period in freight movement;

(amended by regulations of 05.01.2023.)

$$\mathbf{M}_{\text{rezer bfv pas}} = \mathbf{PI}_{\text{bfv pas}} / \mathbf{DR}_{\text{bfv pas}} \text{ , where:}$$

$\mathbf{PI}_{\text{bfv pas}}$ – the full costs of performing essential functions of the infrastructure manager during the programming period in passenger movement;

$\mathbf{DR}_{\text{bfv pas}}$ – performance indicator of the number of railway line routes allocated in the capacity allocation plan during the programming period in passenger movement.

(amended by regulations of 03.08.2023.)

XV. Railway infrastructure capacity assurance charges

48. If, based on the through rate offer criterion mentioned in Annex 3 of the Scheme or on the volume elasticity for evaluating value $\mathbf{J_s}$ declared by applicants, market segments are separated and used for performing transportation on pre-assigned train paths, the charging body may determine a railway infrastructure capacity assurance charges $\mathbf{M}_{\text{rezer gr s}}$. In every one of these market segments the railway infrastructure capacity assurance charges $\mathbf{M}_{\text{rezer gr s}}$ are set as a combination/sum of all charging parameters of the relevant segment $M_{\text{param gr s}}$, which is expressed as the average charge for a performance indicator unit of 1 train km in the relevant segment, according to the following formula:

$$\mathbf{M}_{\text{rezer gr s}} = \mathbf{M}_{\text{ceļ uztur gr s}} + (\mathbf{M}_{\text{mez uztur gr s}} \times \mathbf{DR}_{\text{mez uztur gr s}} + \mathbf{M}_{\text{atj gr s}} \times \mathbf{DR}_{\text{atj uztur gr s}}) / \mathbf{DR}_{\text{ceļ uztur gr s}}, \text{ where}$$

$\mathbf{M}_{\text{rezer gr s}}$ – the amount of the railway infrastructure capacity assurance charge determined by the charging body in a particular market segment where the transportation is performed using pre-assigned train paths.

M $_{\text{ceļ uztur gr s}}$ – the amount of the charging parameter for railway infrastructure maintenance and train operation determined by the charging body in a particular market segment where the transportation is performed using pre-assigned train paths;

M $_{\text{mez uztur gr s}}$ – the amount of the charging parameter for the railway infrastructure, that provides access to the railway infrastructure connecting service facilities, maintenance and train operation determined by the charging body in a particular market segment where the transportation is performed using pre-assigned train paths;

M $_{\text{atj gr s}}$ – the amount of the charging parameter for railway infrastructure renewal determined by the charging body in a particular market segment where the transportation is performed using pre-assigned train paths;

DR $_{\text{atj gr s}}$ – the forecasted performance indicator corresponding to the performance indicator **DR** $_{\text{ceļ uztur gr s}}$ of the number of gross tonne km in the programming period in a particular market segment where the transportation is performed using pre-assigned train paths, which has been taken into account when setting the relevant amount of the existing mark-up **MU** $_{\text{atj gr s}}$;

DR $_{\text{mez uztur gr s}}$ – the forecasted performance indicator corresponding to the performance indicator **DR** $_{\text{ceļ uztur gr s}}$ of the number wagons used in railway traffic in the programming period in a particular market segment where the transportation is performed using pre-assigned train paths, which has been taken into account when setting the relevant amount of the existing mark-up **MU** $_{\text{mez uztur gr s}}$;

DR $_{\text{ceļ uztur gr s}}$ – the forecasted performance indicator of the number train km in the programming period in a particular market segment where the transportation is performed using pre-assigned train paths, which has been taken into account when setting the relevant amount of the existing mark-up **MU** $_{\text{ceļ uztur gr s}}$;

The charging body sets and publishes on its website on the internet the charge **M** $_{\text{rezer gr s}}$ for those market segments where the transportation in the programming period is performed using pre-assigned train paths.

(amended by regulations of 30.09.2019.)

48.[1] The charging body sets and publishes on its website on the internet the average direct unit costs of all charging parameters for the performance indicator unit of 1 train km in the relevant market segment for applicant's trains of specific service group in the market segments provided by Paragraph 48 of the Charging Scheme where the transportation is performed using pre-assigned train paths - **TI** $_{\text{rezer gr s}}$ and it is calculated according to the following formula:

$$\mathbf{TI}_{\text{rezer gr s}} = \mathbf{TI}_{\text{ceļ uztur gr}} + (\mathbf{TI}_{\text{mez uztur gr}} \times \mathbf{DR}_{\text{mez uztur gr s}} + \mathbf{TI}_{\text{atj gr}} \times \mathbf{DR}_{\text{atj uzt gr s}}) / \mathbf{DR}_{\text{ceļ uztur gr s}},$$

where

TI $_{\text{mez uztur g}}$ – the average direct unit costs of all charging parameters for the performance indicator unit of 1 train km in the relevant market segment of a specific service group in a particular market segment where the transportation is performed using pre-assigned train paths (*euro* per train km, value added tax not included);

TI $_{\text{ceļ uzt gr}}$ – the average direct costs of the railway infrastructure that provides access to the railway infrastructure connecting service facilities maintenance and train control for one train km travelled in the programming period in freight traffic;

TI $_{\text{mez uzt gr}}$ – the average direct costs of the railway infrastructure that provides access to the railway infrastructure connecting service facilities maintenance and train control for providing transportation of one wagon used in railway traffic in freight traffic;

TI $_{\text{atj gr}}$ – the average direct costs of the railway infrastructure renewal for one gross

tonne km travelled in the programming period in freight traffic;

DR $_{atj\ gr\ s}$ – the forecasted performance indicator corresponding to the performance indicator **DR** $_{ceļ\ uztur\ gr\ s}$ of the number of gross tonne km in the programming period in a particular market segment where the transportation is performed using pre-assigned train paths, which has been taken into account when setting the relevant amount of the existing mark-up **MU** $_{atj\ gr\ s}$;

DR $_{mez\ uztur\ gr\ s}$ – the forecasted performance indicator corresponding to the performance indicator **DR** $_{ceļ\ uztur\ gr\ s}$ of the number wagons used in railway traffic in the programming period in a particular market segment where the transportation is performed using pre-assigned train paths, which has been taken into account when setting the relevant amount of the existing mark-up **MU** $_{mez\ uztur\ gr\ s}$;

DR $_{ceļ\ uztur\ gr\ s}$ – the forecasted performance indicator of the number train km in the programming period in a particular market segment where the transportation is performed using pre-assigned train paths, which has been taken into account when setting the relevant amount of the existing mark-up **MU** $_{ceļ\ uztur\ gr\ s}$;

(amended by regulations of 30.09.2019.)

XVI. Charge for the operation of train services which cross more than one infrastructure network of the railway system within the European Union

49. If the charging body cooperates with another railway infrastructure manager, to coordinate the charging for the operation of train services which cross more than one infrastructure network of the railway system within the European Union, it publishes related information on the website which is jointly established by the respective charging bodies (infrastructure managers).

(amended by regulations of 29.04.2019.)

XVII. Calculation of the charge values

50. The charging body calculates the values of the charges for each specific charging parameter $_{param}$ of the relevant service group $_{gr}$ within a specific market segment $_{s}$ by adding a mark-up of each specific charging parameter within a specific market segment $_{s}$ to the direct unit costs:

$$\mathbf{M}_{param\ gr\ s} = \mathbf{TI}_{param\ gr} + \mathbf{MU}_{param\ gr\ s}.$$

50.[1] The charging body may take decision on the indexation of the infrastructure charges according to the total indexation rate referred to in Annex 2, that is estimated as the sum of weighted normalization coefficients of each relevant cost element, taking into account proportion of each relevant cost element in the total costs. Indexed values of the charges are calculated by adjusting each value of the charge **M** $_{param\ gr\ s}$ and applying indexation rate of the relevant time period.

(amended by regulations of 21.08.2020.)

51. The differentiated charges mentioned in Chapters five, six, nine, ten, eleven, fourteen and fifteen do not add to the value of the charge but are applied in accordance with the collection scheme or with the decision taken by the charging body. The charges mentioned in Chapters twelve and thirteenth do not add to the value of the charge but are applied in accordance with the collection scheme or with the decision taken by the charging body.

XVIII. Closing questions

52. The Scheme is graphically presented in Annex 4.

53. The abbreviations used in the Scheme and in its calculation, formulas are indicated in Annex 7 of the Scheme.

54. The charging body publishes the Scheme and any amendments thereto on its internet website and submits it to the infrastructure manager for inclusion in the network statement. Annex 6 to the Scheme regarding the rules for calculating and paying charges in the international 1520 traffic and amendments thereto are published by the charging body on its website and are not included in the network statement.

(amended by regulations of 09.03.2022.)

55. The Scheme enters into force upon its publication in the railway infrastructure network statement.

56. Decisions of the charging body approving amendments to the Scheme, as well as decisions regarding infrastructure charges, enter into force upon their adoption and the following deadlines of adoption are observed:

(amended by regulations of 09.03.2022.)

56.1. the charging body publishes the amendments to the Scheme and the decisions regarding the infrastructure charges on its internet website within 1 working day from the moment of taking the relevant decision, indicating the date of publication of these decisions. Annex 6 to the Scheme regarding the rules for calculation and payment of charges in the international 1520 traffic or amendments thereto are published by the charging body at least 2 months before the relevant infrastructure charges enter into force;

(amended by regulations of 09.03.2022.)

56.2. the charging body informs the regulatory body of the decisions taken, providing all the necessary information thereon within 1 working day from the moment of taking the relevant decision;

(amended by regulations of 09.03.2022.)

56.3. the charging body informs the infrastructure manager about the decisions made within 1 working day from the adoption of the decision;

56.4. the charging body prepares and submits amendments to the Scheme (except Annex 6) and information on the charges and payment conditions specified in the decision to the infrastructure manager in Latvian and English for inclusion in the railway infrastructure network statement (if it is necessary to change its version) within 30 working days from the moment of taking the relevant decision;

(amended by regulations of 09.03.2022.)

56.5. the charging body adopts the decision on the charge for performing essential functions of the infrastructure manager and its amount referred to in Paragraph 22.1 not later than 60 calendar days before the date of the start of the next annual time schedule and the application of the mentioned charge, allowing derogations from the mentioned deadlines in cases referred to in Paragraph 9 of the Annex 8 to the Scheme;

56.6. the charging body adopts the decision on charges and their amounts referred to in Paragraph 38; (charge related to international 1520 traffic), Paragraph 46 (charge for railway infrastructure capacity used for providing technological processes) and Paragraph 50 (charge of every parameter within relevant service group and market segment), as well as on the amount of average direct unit costs of all cost parameters referred to in Paragraph 48.1 not later than 90 calendar days before the date of the start of their application;

56.7. the charging body adopts the decisions on railway infrastructure capacity assurance charges and their amounts referred to in Paragraph 48 simultaneously with the decision on the charges referred to in Sub-paragraph 56.6, allowing derogations from the mentioned deadline in cases if the need for the decision stems from the amendments to the list of market segments included in Annex 5 to the Scheme or criteria for determining markups included in Annex 3 to the Scheme;

56.8. the charging body adopts the decisions on railway infrastructure capacity assurance charges and their amounts referred to in Paragraph 13 of the Annex 6 simultaneously with the decision on the charges referred to in Sub-paragraph 56.6, allowing derogations from the mentioned deadline in cases if the need for the decision stems from the amendments to the list of market segments included in Paragraph 9 of Annex 6 to the Scheme or criteria for determining markups included in Paragraph 8 of Annex 6 to the Scheme;

56.9. the charging body adopts the decisions on charges and their amount referred to in Paragraph 29 (scarcity charge), Paragraph 30 (environmental charge), Paragraph 39 (project charge), Paragraph 41 (volume discount), Paragraph 42 (network loading optimization discount) and Paragraph 43 (penalties, compensation, bonuses) not later than 30 calendar days before the date of the start of their application;

56.10. if the charging body establishes the need to make amendments to the list of market segments included in Annex 5 to the Scheme according to Paragraphs 32 and 33, then the charging body adopts the decision on amendments to the list of market segments, as well as amendments to Annex 3, which includes quantitative criteria for determining markups within specific market segments, and publishes these decisions on its webpage on the internet not later than within X-3m period, as well as submits the information to the infrastructure manager for inclusion in the railway infrastructure network statement within 1 working day from the adoption of the decision;

56.11. if the charging body establishes the need to make amendments to the list of market segments included in Paragraph 9 of Annex 6 to the Scheme according to Paragraph 3 of Annex 6 to the Scheme, then the charging body adopts the decision on amendments to the list of market segments, as well as amendments to Paragraph 8 of Annex 6, which includes quantitative criteria for determining markups within specific market segments, and publishes these decisions on its webpage on the internet not later than two months before the adoption of the decision on the charges referred to in Sub-paragraph 56.6;

56.12. the charging body adopts the decision on the amount of all infrastructure charge (except the one referred to in Paragraph 22.[1]) indexation not later than 30 calendar days before the date of the start of the application of the indexed charge amounts;

56.13. the charging body makes amendments to Annex 2 to the Scheme not later than 60 calendar days before the date of the start of the application of the indexed charge amounts;

56.14. the charging body informs the regulatory body regarding the deviations from the deadlines provided for in Paragraph 56 of the Scheme, providing an appropriate explanation;

(amended by regulations of 09.03.2022.)

56.15. if, due to justified reasons, it is necessary to take a decision regarding amendments to the Scheme or the infrastructure charges in an expedited manner within a term shorter than the decision-making terms provided for in Paragraph 56 of the Scheme, the charging body:

(amended by regulations of 09.03.2022.)

56.15.1. using the official electronic means of communication, notifies the regulatory body, the infrastructure manager, the railway undertakings, all known applicants, as well as the performers of specific technological processes (if bound by the planned decision) of the planned decision and the date, time and place of its public discussion (or access information for remote discussion);

(amended by regulations of 09.03.2022.)

56.15.2. ensures public discussion of the planned decision by holding a hearing meeting in person or remotely, not earlier than within 1 working day from the moment when the notification referred to in Paragraph 56.15.1 of the Scheme has been sent regarding such decision, as well as comply with the reasonable proposals of the persons referred to in Paragraph 56.15.1 for the extension of the discussion procedure for the planned decision;

(amended by regulations of 09.03.2022.)

56.15.3 within this decision (if necessary) provides for a reasonable transition period and its conditions for the improvement of the accounting systems related to the implementation of the decision.

(amended by regulations of 09.03.2022.)

57. If the charging body cannot balance the programmed costs of the infrastructure manager with the revenue from the calculated charges, it notifies the Ministry of Transport.

58. A complaint about the Scheme, its separately published annexes and amendments thereto may be submitted by the infrastructure manager, infrastructure manager, applicant or railway undertaking to the regulatory body not later than one month from the date of the publication.

(amended by regulations of 09.03.2022.)

JSC LatRailNet
Director of Legal and
Administrative Affairs J.Šulcs

Annex 1

Cost drivers used for the allocation of activity costs to the service groups

Cost centers, cost elements and costs of the infrastructure objects that are related to a specific service group primarily are allocated to the relevant service and activity group according to the method of cost allocation; however, in the other cases, according to the cost driver defined in the table. Overhead costs related to a specific activity are driven to the specific activity according to the method of cost allocation, however, in the other cases, according to the cost driver defined in the table. Determination of cost group borders for the points of splitting, switching and stopping is based on technological documents, for example, station technical activity acts (TAA).

The activity cost groups and the relevant cost drivers for the allocation of costs to the service groups are listed in the tables:

No.	Activity cost groups	Cost drivers used for the allocation of activity costs to the service groups
1.	**PI $_{\text{cel uztur}}$ – full railway infrastructure maintenance and overhead costs**	–
1.1.	maintenance and train operating costs of railway infrastructure that provides a minimum access package	–
1.1.1.	maintenance of tracks, civil infrastructure and related fixed installations and security objects used for train acceptance, handling and dispatching	train km (in general and for accepting and dispatching railway tracks in stations serving mixed traffic)
1.1.2.	maintenance of electrical supply cable lines and electricity distribution equipment for providing train acceptance, handling and dispatching	train km
1.1.3.	maintenance of fixed installations of automatic train control systems used for train acceptance, handling and dispatching	train km
1.1.4.	maintenance of fixed installations used for the transmission of information and communication in the train acceptance, handling and dispatching process	train km
1.1.5.	Provision of train and traction vehicle movement organization and coordination process	train km
1.1.6.	Maintenance of buildings and structures used for the activities that provide a minimum access package	train km
1.1.7.	Maintenance and train operating overhead costs of railway infrastructure that provide a minimum access package	train km
1.2.	overhead costs	–
1.2.1.	Eligible costs for the administration of the sector according to legislation	train km or other unit according to legislation
1.2.2.	Infrastructure manager's costs related to the implementation of the decision of the regulatory body referred to in part eight of Article7.^{1} of the Railway Law	train km or other unit according to legislation
1.2.3.	The part of total infrastructure manager's overhead costs that is attributed to a minimum access package and to an access to the railway infrastructure connecting service facilities in accordance with the method of cost allocation to the various categories of services	train km

No.	Activity cost groups	Cost drivers used for the allocation of activity costs to the service groups
2.	**$PI_{mez\ uztur}$ – maintenance and train operating costs of railway infrastructure that provides access to the railway infrastructure connecting service facilities**	–
2.1.	maintenance of tracks, civil infrastructure and related fixed installations and security objects where freight train sets are assembled/disassembles as well as the rolling stock is transferred for loading, unloading or to related sidings	for freight services
2.2.	maintenance of electrical supply cable lines and electricity distribution equipment for providing assembling and disassembling of freight trains as well as transferring the rolling stock for loading, and unloading or to related sidings	for freight services
2.3.	maintenance of fixed installations of automatic train control systems used in objects where freight train sets are assembled/disassembled as well as the rolling stock is transferred for loading, unloading or to related sidings	for freight services
2.4.	maintenance of fixed installations used for the transmission of information and communication during the process where trainsets are assembled/disassembled as well as the rolling stock is transferred for loading, unloading or to related sidings	for freight services
2.5.	maintenance of buildings and structures used for the activities where freight train sets are assembled/disassembled as well as the rolling stock is transferred for loading, unloading or to related sidings	for freight services
2.6.	maintenance of buildings and structures used for the activities where freight train sets are assembled/disassembled as well as the rolling stock is transferred for lo0ading, unloading or to related sidings	for freight services
3.	**PI_{atj} –renewal costs of railway infrastructure that provides a minimum access package and an access to the railway infrastructure connecting service facilities**	–
3.1.	renewal of tracks, civil infrastructure and related fixed installations and security objects	**$KTI_{atj\ gr}$** – gross tonne km **$NI_{atj\ gr}$** – train km
3.2.	renewal of electrical supply cable lines and electricity distribution equipment	train km
3.3.	renewal of fixed installations of automatic train control systems	train km
3.4.	renewal of fixed installations of automatic train control systems used in objects where freight train sets are assembled/disassembled as well as the rolling stock is transferred for loading, unloading or to related sidings	for freight services
3.5.	renewal of fixed installations used for the transmission of information and communication in the train traffic	train km
3.6.	renewal of activity of provision of train and traction vehicle movement organization and coordination process	train km
3.7.	renewal of buildings and structures that provide a minimum access package and an access to the railway infrastructure connecting service facilities	train km
4.	**PI_{elektr} –traction electrical supply equipment costs ($_{elektr}$)**	–
4.1.	traction electrical supply equipment maintenance costs	for trains using electric traction
4.2.	traction electrical supply equipment renewal costs	for trains using electric traction

(amended by regulations of 02.07.2025.)

Annex 2

Railway infrastructure cost normalization coefficients

Cost elements	Normalization coefficients	The values of normalization coefficients in 2020	Weighted normalization coefficients in 2020	The values of normalization coefficients in 2021	Weighted normalization coefficients in 2021	The values of normalization coefficients in 2022 (up to 31 August)	Weighted normalization coefficients in 2022 (up to 31 August)
Payroll	Output-dependent premiums		1,35%		0,65%		1,30%
	Consumer price index	2,50%		1,20%		2,40%	
	Assessment of the causes of structural changes and other identified facts						
Social contributions	Payroll influencing values	2,50%	0,33%	1,20%	0,16%	2,40%	0,31%
	Tax rates						
Materials, fuel, electricity	Producer price index or tariff rates	2,70%	0,30%	1,30%	0,14%	3,30%	0,36%
	Assessment of the causes of modernization work and other identified facts						
Other costs	Producer price index	2,70%	0,59%	1,30%	0,72%	3,30%	1,02%
	Assessment of the causes of other identified facts			1,96%		1,33%	
Summary cost indexation rate			**2,57%**		**1,67%**		**2,99%**

Cost elements	Normalization coefficients	The values of normalization coefficients in 2022 (from 1 September)	Weighted normalization coefficients in 2022 (from 1 September)	The values of normalization coefficients in 2023	Weighted normalization coefficients in 2023
Payroll	Output-dependent premiums		3,22%		1,89%
	Consumer price index	5,96%		3,50%	
	Assessment of the causes of structural changes and other identified facts				
Social contributions	Payroll influencing values	5,96%	0,77%	3,50%	0,46%
	Tax rates				
Materials, fuel, electricity	Producer price index or tariff rates	5,23%	0,58%	4,20%	0,46%
	Assessment of the causes of modernization work and other identified facts				
Other costs	Producer price index	5,23%	1,15%	4,20%	0,92%
	Assessment of the causes of other identified facts				
Summary cost indexation rate			**5,72%**		**3,73%**

(amended by regulations of 23.08.2022)

Annex 3

Market segmentation and infrastructure charge mark-up determination criteria

I. The segmentation and criteria based on the impact of different types of utilization of the railway infrastructure on the cost of railway infrastructure

The charging body sets valuation criteria that characterize the impact of different types of utilization of the railway infrastructure on the cost of railway infrastructure in a specific market segment - $\mathbf{C}_{s,}$ taking into account the significance of the deviations from the full costs of services, comparing scenarios where one of the existing market segments is divided into smaller segments or the same market segment is not divided:

$\mathbf{C}_{s} = \mathbf{0}$, in cases where different influence of the criterion cannot be observed, or

$\mathbf{C}_{s} = \Delta\mathbf{PI}_{\text{param gr } s'} / \Delta\mathbf{PI}_{\text{param gr } s''}$, where

$\Delta\mathbf{PI}_{\text{param gr } s'}$ and $\Delta\mathbf{PI}_{\text{param gr } s''}$ – the difference between the two potential costs, if it is divided into market segments.

Criterion	**Designation of the criterion**	**Evaluated pair of services**		**Determined value of the criterion**
		Justification of valuation of the criterion		
impact on specialized infrastructure	**spec infra**	utilization of specialized railway infrastructure for specific type of services	utilization of specialized railway infrastructure for specific type of different services	$\mathbf{C}_{\text{spec infra } s} = \mathbf{0}$
		the increase of maintenance, renewal or operating costs of the infrastructure manager		no specialized infrastructure
impact on annual working timetable	**vilc kust**	combined transportation	direct train traffic	$\mathbf{C}_{\text{vilc kust } s} = \mathbf{0}$
		specific departure or arrival times within combined transportation increase train operating costs		no registered coordination procedures
impact on railway infrastructure	**tehnisk norm**	technical specifications of trains correspond to the specifications indicated in the railway infrastructure network statement	technical specifications of trains do not correspond to the specifications indicated in the railway infrastructure network statement	$\mathbf{C}_{\text{tehnisk norm } s} = \mathbf{0}$
		technical specifications are different from those indicated in the railway infrastructure network statement and increase / decrease maintenance, renewal or operating costs of the infrastructure manager		the different technical specifications of trains are taken into account in cost allocation
impact on environment	**vide**	trains that transport dangerous cargo	other freight trains	$\mathbf{C}_{\text{vide } s} = \mathbf{0}$
		as a result of applicants' transportation, differing environment protection and safety costs are incurred		distinctive environment protection and safety costs are not observed
impact on traffic	**tehnol norm**	trains transporting all wagons from one point to one destination	trains that consist of wagons that are separate freight units and are coupled and uncoupled en route	$\mathbf{C}_{\text{tehnol norm } s} = \mathbf{0}$
		technical specifications are different from those indicated in the railway infrastructure network statement and increase / decrease maintenance, renewal or operating costs of the infrastructure manager		no applications submitted with differing technological specifications

II. The segmentation and criteria based on the increase of the productivity achieved by railway undertakings

The charging body sets the valuation criterion that characterizes the increase of the productivity achieved by railway undertakings in a specific market segment – $\mathbf{V}_s$, taking into account the significance of the changes of the applicant's income fluctuations, that are incurred by differing quality of infrastructure services, comparing scenarios where one of the existing market segments is divided into smaller segments or the same market segment is not divided:

$\mathbf{V}_s = \mathbf{0}$, in cases where different influence of the criterion cannot be observed, or

$\mathbf{V}_s = \Delta \mathbf{I}_s' / \Delta \mathbf{I}_s''$, where

$\Delta \mathbf{I}_s'$ un $\Delta \mathbf{I}_s''$ – the changes of the applicant's income using the two potential services, if it is divided into market segments.

Criterion	Designation of the criterion	The evaluated pair of services / The justification of valuation of the criterion		The determined value of the criterion
train priority	prior	domestic transportation	international transportation	$\mathbf{V}_{prior\ s} = \mathbf{0}$
		priority given to a transportation service improves the provided service in comparison with competing transport modes		- equal priority role in passenger transportation - increase in productivity is not established in freight transportation
service consumer density	intens	urban or regional transportation	interurban transportation	$\mathbf{V}_{intens\ s} = \mathbf{0}$
		train crosses railway infrastructure sections with differing service consumer density (population or loading/unloading volume)		- changes in the public procurement contract must be followed in passenger transportation - increase in productivity is not established in freight transportation
through rate offer	integr pied	regular train traffic services	irregular train traffic services	$\mathbf{V}_{integr\ pied\ s} = \mathbf{0}$
		transportation services are provided in accordance with uniform payment conditions throughout the logistics chain		- productivity increase does not occur if ticket prices are not changed in passenger transportation -no agreement on uniform charging schemes in freight transportation

(amended by regulations of 17.06.2022.)

III. The segmentation and criteria based on the impact of the allowable markup value on the competitiveness of the final services

The charging body sets valuation criteria for optimal railway competitiveness in a specific market segment – $\mathbf{S}_s$, choosing from values $\mathbf{R}_s$ and $\mathbf{J}_s$, in accordance with the planning document referred to in Paragraph 8 of the Scheme and the goals of the State Transport Policy, as well as experts' assessment based on the following procedure:

1. the charging body establishes, by an order, an expert group, which includes at least three independent experts (eg. representatives of the relevant industry associations or competent scientific institutions) for every existing market segment and market segments concerning which applicants or the infrastructure manager have provided evidence in accordance with the provisions of Paragraph 33 of the Scheme;

2. the charging body requires from the experts:

2.1. the forecasts necessary for assessment of the value **J $_s$** – the potential transportation volume in a given market segment, expressed in train-kilometers;

(amended by regulations of 17.06.2022.)

2.2. the forecasts necessary for assessment of the value **R $_s$** for the following competitiveness factors:

2.2.1. in market segments of the service group referred to in Subparagraph 6.1 of the Scheme:

- total population of the inhabited stopping points on the route;
- administrative significance of the inhabited stopping points on the route;
- passengers' purchasing power;
- railway transportation prices compared to other railway undertakings on the route;
- quality of the railway transportation service compared to the transportation price;
- competition within the industry;
- compatibility with other modes of transport and/or access to the destination of passengers;
- marketing activities of other transport service operators;
- other factors indicated by railway undertakings or the infrastructure manager in their evidence;

2.2.2. in market segments of the service group referred to in Subparagraph 6.2 of the Scheme:

- total costs of cargo recipients (offering to assess the route as a whole, including other members of the supply chain (costs of foreign railways and connected inland modes of transport, port tariffs and maritime costs));
- transportation time;
- competition within the industry;
- competition among modes of transport;
- cooperation among logistic chain members;
- world demand on transported cargo;
- political relations;
- marketing activities of other transport service operators
- other factors indicated by railway undertakings or the infrastructure manager in their evidence

2.3. The experts assess competitiveness factors **R $_s$** on the grounds of two attributes – reference and programming periods:

2.3.1. The valuation of the significance of a competitiveness factor v_{ij} (j- expert's i-valuation of the criterion significance) from 0 to 1 in terms of the potential volume forecasted by the experts referred to in Subparagraph 2.1:

Evaluation of the significance of a market segment competitiveness factor		**Explanation**
0,0	insignificant factor	The factor does not affect the conditions of the transport services market in the relevant market segment
0,1 to 0,9	significant factor	The factor influences transport services market conditions in the relevant market segment - the higher the rating, the more significant impact
1,0	direct correlation	The factor directly affects the market conditions of transport services in the relevant market segment

2.3.2. The valuation of the development of a competitiveness factor k_{ij} (j- expert's i-valuation of the criterion development) from 0 to 1 in terms of the potential volume forecasted by the experts referred to in Subparagraph 2.1:

Evaluation of the development of a market segment competitiveness factor	Explanation
0,0	factor development in the relevant market sector is assessed as maximum
0,1 to 0,9	factor development in the relevant market sector is comparable with competing modes of transport and transport corridors - the higher the assessment, the more positive factor development is expected
1,0	expected factor development in the relevant market sector is assessed as maximum positive

3. the charging body summarizes the expert assessment and performs the evaluation of the reliability of the data, as well as determines if an expert's assessment of criteria listed in Subparagraphs 2.1. or 2.2 of Annex 3 to this Scheme is significantly different from the point of view of other experts, then the expert is requested to justify their opinion. The charging body may exclude qualitatively or statistically unfounded expert's opinion;

4. having validated experts' assessments according to Paragraph 3 of Annex 3 to the Scheme, the remaining assessments are multiplied by the normalized valuation of the significance of the relevant factor and the average normalized values are obtained for reference and programming periods:

$$\mathbf{R}_{\text{pārskat s}} = \mathbf{ANP}\, \mathbf{v}_{\text{ij pārskat s}} \times \overline{\mathbf{k}}_{\text{ij pārskat s}} / \mathbf{m}_{\text{s}}, \text{ where}$$

$\mathbf{ANP}_{\text{v ij pārskat s}}$ – normalized average j-expert's i-valuation of criterion significance for a specific market segment in the reference period;

$\overline{\mathbf{k}}_{\text{ij pārskat s}}$ – average j-expert's valuation of i-criterion for a specific segment in the reference period;

$$\mathbf{R}_{\text{plān s}} = \mathbf{ANP}_{\text{v ij plān s}} \times \overline{\mathbf{k}}_{\text{ij plān s / m s}}, \text{ where}$$

$\mathbf{ANP}_{\text{v ij plān s}}$ – normalized average j-expert's i-valuation of criterion significance for a specific market segment in the programming period;

$\overline{\mathbf{k}}_{\text{ij plān s}}$ – average j-expert's valuation of i-criterion for a specific segment in the programming period;

5. the value of valuation criterion $\mathbf{R}_{\text{s}}$, that characterizes the impact of the allowable infrastructure charge markup value on the competitiveness of the final services is obtained as a ratio between the programming and reference periods;

(amended by regulations of 17.06.2022.)

6. in cases if the charging body determines a potential increase of value **J_s** in any of the segments, or according to Paragraph 33 of the Scheme relevant evidence is received, then the charging body sends to applicants or the expert group referred to in Paragraph 1 of Part III of Annex 3 to the Scheme a request to evaluate the elasticity of transportation volume in the specific market segment in relation to the total payment of potentially determined railway infrastructure charges for one train km according to the assumptions of the charging body about the technical specifications of trains:

Planned transportation volume in relation to the determined railway infrastructure charges	**$M_s 1 = TI_s$**	**$M_s 2 = …$**	**$M_s 3 = …$**	**$M_s 4 = …$**	**$M_s 5 = PI_s$**
	charge at the level of direct cost	*intermediate values*	*intermediate values*	*intermediate values*	*charge at the level of full cost*
$DR_{param\ gr\ s}$	*elasticity valuation*	*elasticity valuation*	*elasticity valuation*	*elasticity valuation*	*elasticity valuation*

(amended by regulations of 29.12.2020.)

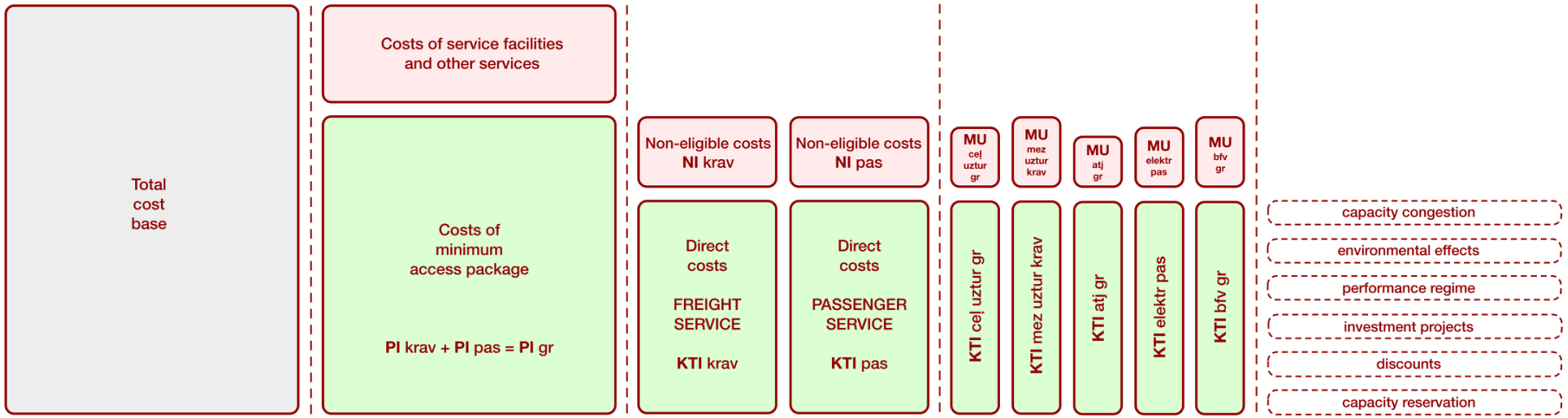
7. the value of **J_s** is obtained by choosing it in accordance with the maximum value of the multiplication of potential transportation volume and the charge determined for a specific market segment (**$DR_{param\ gr\ s} \times M_s$**);

8. the values of criteria **R_s** and **J_s** are expressed in decimal numbers and rounded to 2 decimal places, decreasing them to 1, if higher.

9. *(deleted as amended by regulations of 17.06.2022.)*

Annex 4

Graphical representation of the Scheme



Annex 5

List of railway transportation market segments

1) List of railway transportation market segments in passenger traffic:

Market segment	Abbreviation of market segment	Market segment determination features		
		Train route		Description and other market segment determination features
		initial station	final station	
Wide gauge part of the railway network				
Passenger services within the framework of a public service contract	**sab pak pas**	initial station of the route in LDZ network	final station of the route in LDZ network	applicants providing public passenger services within the meaning of the Regulation (EC) No 1370/2007 of the European Parliament and of the Council of 23 October 2007
International passenger services within the European Economic Area	**starpt pas**	initial station in LDZ network or outside it (within EEA)	final station in LDZ network or outside it (within EEA)	applicants are assigned specific train paths in the annual capacity allocation plan or train paths are assigned for non-scheduled trains
Other passenger services	**citi pas**	initial station of the route in LDZ network or outside it	final station of the route in LDZ network or outside it	applicants are assigned specific train paths in the annual capacity allocation plan or train paths are assigned for non-scheduled trains
Narrow gauge part of the railway network				
Passenger services within the framework of a public service contract	**sab pak pas šs**	initial station of the route in the narrow gauge part of LDZ network	final station of the route in the narrow gauge part of LDZ network	applicants providing public passenger services within the meaning of the Regulation (EC) No 1370/2007 of the European Parliament and of the Council of 23 October 2007
Other passenger services	**citi pas šs**	initial station of the route in the narrow gauge part of LDZ network	final station of the route in the narrow gauge part of LDZ network	applicants are assigned specific train paths in the annual capacity allocation plan or train paths are assigned for non-scheduled trains outside the annual infrastructure capacity allocation plan

(amended by regulations of 03.10.2025.)

2) List of railway transportation market segments in freight traffic for the period until 31 December 2025:

Market segment group	Market segment	Abbreviation of market segment $_s$	Market segment determination features		
			Train index		Other special market segment determination features
			first group	third group	
Domestic freight services with collecting and pick-up trains	domestic freight services with collecting and pick-up trains	**sviv krav**	dispatching station in LDZ network	receiving station in LDZ network	for operations with freight trains carrying goods originating in the EEA, the coupling of groups of freight wagons at stations in the LDZ network is allowed, if the train index is not changed
	domestic grain freight services	**lab krav**	dispatching station in LDZ network	receiving station in LDZ network	for operations with freight trains carrying goods originating in the EEA, the coupling of groups of freight wagons at stations in the LDZ network is allowed, if the train index is not changed
	domestic cement freight services	**cmt krav**	dispatching station in LDZ network	receiving station in LDZ network	for operations with freight trains carrying goods originating in the EEA, the coupling of groups of freight wagons at stations in the LDZ network is allowed, if the train index is not changed
Freight services within domestic network and EEA	multimodal freight services within domestic network and European Economic Area (without the use of node infrastructure)	**kont bm krav**	dispatching station in LDZ network or outside it (within EEA)	receiving station in LDZ network or outside it (within EEA)	for operations with freight trains carrying goods originating in the EEA, without coupling or uncoupling of processing wagons at LDZ network stations
	multimodal freight services within domestic network and European Economic Area	**kont am krav**	dispatching station in LDZ network or outside it (within EEA)	receiving station in LDZ network or outside it (within EEA)	for operations with freight trains carrying goods originating in the EEA, the coupling of groups of freight wagons at stations in the LDZ network is allowed, if the train index is not changed
	international freight services within the North Sea - Baltic rail freight corridor using pre-reserved train paths	**rfc krav**	dispatching station in LDZ network or outside it (within EEA)	receiving station in LDZ network or outside it (within EEA)	applicant has applied and assigned train paths by the North Sea - Baltic rail freight corridor one stop shop (C-OSS)
	building material delivery freight services for the construction of *Rail Baltica* infrastructure (without the use of node infrastructure)	**rb krav**	dispatching station in LDZ network or outside it (within EEA)	receiving station in LDZ network or outside it (within EEA)	for operations with freight trains carrying goods originating in the EEA, without coupling or uncoupling of processing wagons at LDZ network stations
	wood chip freight services within domestic network and European Economic Area	**skeld krav**	dispatching station in LDZ network or outside it (within EEA)	receiving station in LDZ network or outside it (within EEA)	for operations with freight trains carrying goods originating in the EEA, the coupling of groups of freight wagons at stations in the LDZ network is allowed, if the train index is not changed
	other freight services within domestic network and European Economic Area	**citi krav**	dispatching station in LDZ network or outside it (within EEA)	receiving station in LDZ network or outside it (within EEA)	for operations with freight trains carrying goods originating in the EEA, the coupling of groups of freight wagons at stations in the LDZ network is allowed, if the train index is not changed

3) List of railway transportation market segments in freight traffic for the period from 1 January 2026:

Market segment	Abbreviation of market segment	Market segment determination features			
		Wagon departure station indicated in the consignment note	Wagon destination station indicated in the consignment note	Wagon freight HKN code in the consignment note	Description and other market segment determination features
Grain freight services within domestic network and European Economic Area	**lab krav**	in the territory of Latvia or EEA	in the territory of Latvia or EEA	0713xxxx, 1001xxxx – 1008xxxx, 1201xxxx, 1204xxxx – 1207xxxx, 2302xxxx	grain freight transportation in the territory of Latvia or EEA in wagons, whose departure station and destination station are located in the territory of Latvia or EEA
Cement freight services within domestic network and European Economic Area	**cmt krav**	in the territory of Latvia or EEA	in the territory of Latvia or EEA	2523xxxx	cement freight transportation in the territory of Latvia or EEA in wagons, whose departure station and destination station are located in the territory of Latvia or EEA
Freight services of intermodal transport units within domestic network and European Economic Area (without the use of node infrastructure)	**kont bm krav**	in the territory of Latvia or EEA	in the territory of Latvia or EEA	-	transportation of intermodal transport units in the territory of Latvia or EEA on platforms, whose departure station and destination station are located in the territory of Latvia or EEA, access to the railway infrastructure connecting railway infrastructure to service facilities is not used (also applies to transportation between LDZ network node stations, without processing in sorting station)
Freight services of intermodal transport units within domestic network and European Economic Area	**kont am krav**	in the territory of Latvia or EEA	in the territory of Latvia or EEA	-	transportation of intermodal transport units in the territory of Latvia or EEA on platforms, whose departure station and destination station are located in the territory of Latvia or EEA
Wood chips freight services within domestic network and European Economic Area	**skeld krav**	in the territory of Latvia or EEA	in the territory of Latvia or EEA	44012xxx	wood chips freight transportation in the territory of Latvia or EEA in wagons, whose departure station and destination station are located in the territory of Latvia or EEA
Wood pellets freight services within domestic network and European Economic Area	**gran krav**	in the territory of Latvia or EEA	in the territory of Latvia or EEA	44013xxx	wood pellets freight transportation in the territory of Latvia or EEA in wagons, whose departure station and destination station are located in the territory of Latvia or EEA
Building materials delivery freight services for the construction of *Rail Baltica* infrastructure (without the use of node infrastructure)	**rb krav**	in the territory of Latvia or EEA	in the territory of Latvia or EEA	-	features will be specified after receiving capacity requests and developing appropriate transportation technology for providing such services segment applies to wagons that do not use access to railway infrastructure connecting railway infrastructure to service facilities (also applicable to transportations between LDZ node stations, without processing in sorting station)
Petroleum products freight services within domestic network and European Economic Area	**np krav**	in the territory of Latvia or the EEA	in the territory of Latvia or EEA	2706xxxx – 2710xxxx, 2713xxxx – 2715xxxx, 39111xxx	petroleum freight transportation in the territory of Latvia or EEA in wagons, whose departure station and destination station are located in the territory of Latvia or EEA
Other freight services within domestic network and European Economic Area	**citi krav**	in the territory of Latvia or the EEA	in the territory of Latvia or EEA	-	freight transportation in the territory of Latvia or EEA in wagons, whose departure station and destination station are located in the territory of Latvia or EEA

Market segment	Abbreviation of market segment	Market segment determination features			
		Wagon departure station indicated in the consignment note	Wagon destination station indicated in the consignment note	Wagon freight HKN code in the consignment note	Description and other market segment determination features
New freight services within domestic network and European Economic Area	**jaun krav**	in the territory of Latvia or the EEA	in the territory of Latvia or EEA	-	freight transportation in the territory of Latvia or EEA in wagons, whose departure station and destination station are located in the territory of Latvia or EEA HKN code of a specific type of freight may be included in the market segment identification features for a limited time period, based on a justified application submitted by either the applicant or the infrastructure manager*
Freight services between Riga railway node stations	**rgmz krav**	between Riga railway node stations	between Riga railway node stations	-	freight transportation in wagons (incl. loaded and empty wagons), whose departure station and destination station are located within the Riga railway node (in accordance with the current version of the railway infrastructure manager's network statement)
Empty wagons freight services (platforms)	**tuks pf krav**	in the territory of Latvia or outside it	in the territory of Latvia or outside it	-	transportation of empty freight platforms, whose departure station or destination station are located in the territory of Latvia or outside it
Empty wagons freight services (other wagons)	**tuks krav**	in the territory of Latvia or outside it	in the territory of Latvia or outside it	-	transportation of empty freight wagons (except platforms), whose departure station or destination station are located in the territory of Latvia or outside it
Unidentified freight services throughout the entire LDZ network	**neid krav**	in the territory of Latvia or outside it	in the territory of Latvia or outside it	-	segment applies to transportation in freight wagons for which it is not possible to identify other market segment (within transportation in the territory of Latvia, EEA, or international 1520 traffic), or where the involved carrier has not provided the consignment note data required for market segment identification in the infrastructure manager's accounting systems

* *With regard to freight transport operations that meet the conditions set out in Paragraph four of the Article 11¹ of the Railway Law, applicants or the infrastructure manager may submit justified requests to the charging body for the inclusion of a specific freight type HKN code in the market segment "new freight services within domestic network and European Economic Area". The charging body may, without assessing the features included in Annex 3 of the Scheme, decide to include a specific freight type HKN code in the identification features of this market segment for a limited time period, if at least one of the following conditions is met:*

1) for at least 1 year prior to the submission of the application transportation of the HKN freight code specified in the application has not been carried out on the LDZ network;
2) during the 3 year period preceding the submission of the application, the volume of freight of the HKN code specified in the application transported on the LDZ network does not exceed 35 thous. Tonnes.

(amended by regulations of 29.12.2025.)

Annex 6

Charging and payment conditions within international 1520 traffic

1. *(deleted as amended by regulations of 02.07.2025.)*

2. The charging body calculates the network-wide direct costs of railway infrastructure **KTI** $_{\text{param 1520}}$ in the programming period within international 1520 traffic for every cost parameter $_{\text{ceļ uztur}}$, $_{\text{mez uztur}}$ and $_{\text{atj}}$ it is calculates as a multiplication of the average direct cost of these parameters with the relevant performance indicator of train km, number of wagons and gross tonne km within international 1520 traffic:

$$\mathbf{KTI}_{\text{ceļ uztur 1520}} = \mathbf{TI}_{\text{ceļ uztur krav}} \times \mathbf{DR}_{\text{ceļ uztur 1520}};$$
$$\mathbf{KTI}_{\text{mez uztur 1520}} = \mathbf{TI}_{\text{mez uztur}} \times \mathbf{DR}_{\text{param 1520}};$$
$$\mathbf{KTI}_{\text{atj 1520}} = \mathbf{TI}_{\text{atj krav}} \times \mathbf{DR}_{\text{atj 1520}}.$$

3. Applicants and the infrastructure manager not later than four months before the deadline of the publication of the railway infrastructure charges within international 1520 traffic, can submit the evidence to the charging body; and the charging body accordingly assesses the necessity for the division of the international 1520 traffic services into smaller market segments in line with the criteria listed in Annex 3 to the Scheme, taking into account the following considerations:

3.1. in existing market segments in the market conditions forecasted for the programming period the criteria listed in Annex 3 are not equal for different kinds of railway infrastructure utilization;

3.2. the market conditions do not provide for covering the existing infrastructure charges;

3.3. specific market segments exist where railway undertakings are not operating at the given moment but can provide services in the programming period.

4. The level of mark-up in international 1520 traffic **MU** $_{\text{param 1520 s}}$ within a specific market segment $_{s}$ is defined as the difference between each parameter's $_{\text{param}}$ adjusted full cost value of a specific parameter within international 1520 traffic **PI** $_{\text{param 1520}}$ **,** where the infrastructure manager's financing costs are replaced with a reasonable profit margin as provided by Sub-paragraph 35.1 of the Scheme, and the network-wide direct costs **KTI** $_{\text{param 1520}}$, divided by the relevant performance indicator within international 1520 traffic **DR** $_{\text{param 1520}}$ and multiplying this division by the market valuation ratio ***mcb*** $_{\text{1520 s}}$ criteria of which the charging body publishes on its website on the internet two months before the decision on the railway infrastructure charging within international 1520 traffic is taken:

$$\mathbf{MP}_{\text{param 1520 s}} = (\mathbf{PI}_{\text{param 1520}}' - \mathbf{KTI}_{\text{param 1520}}) / \mathbf{DR}_{\text{param 1520}}) \times \boldsymbol{mcb}_{\text{1520 s}},$$ where:

PI $_{\text{param 1520}}$ **'** – the adjusted cost value of a specific cost parameter within international 1520 traffic, where financing costs of the infrastructure manager are substituted by a reasonable profit margin following the principle stated in the Subparagraph 35.1. of the Scheme;

mcb $_{\text{1520 s}}$ – a ratio characterizing the allowable level of mark-ups in the given market situation in the specific market segment within international 1520 traffic, which is determined as the maximum value from the valuation criteria **C** $_{s}$, **V** $_{s}$ and **S** $_{s}$, where

C $_{\text{1520 s}}$ – a valuation criteria characterizing the impact of different types of utilization of the railway infrastructure on the costs of railway infrastructure within a specific market segment;

V $_{\text{1520 s}}$ – a valuation criteria that characterizes the increase of productivity achieved by railway undertakings within a specific market segment;

S $_{\text{1520 s}}$ – a valuation criteria that characterizes the optimal railway competitiveness within a specific market segment.

5. The charging body calculates the charges for every cost parameter $_{param}$ in a specific market segment $_{s}$ within international 1520 traffic by adding mark-ups of every parameter in a specific market segment $_{s}$ to the average direct cost value **MP** $_{param\ 1520\ s}$:

$$\mathbf{M}_{ceļ\ uztur\ 1520\ s} = \mathbf{TI}_{ceļ\ uztur\ krav} + \mathbf{MP}_{ceļ\ uztur\ 1520\ s};$$

$$\mathbf{M}_{mez\ uztur\ 1520\ s} = \mathbf{TI}_{mez\ uztur\ krav} + \mathbf{MP}_{mez\ uztur\ 1520\ s};$$

$$\mathbf{M}_{atj\ 1520\ s} = \mathbf{TI}_{atj\ krav} + \mathbf{MP}_{atj\ 1520\ s}.$$

(amended by regulations of 02.07.2025.)

6. If railway undertakings have submitted relevant information for splitting the charge between different railway undertakings, the amount of the charge **M** $_{mez\ uztur\ 1520\ s}$ in freight transport within international 1520 traffic is divided between the railway undertaking performing transport in border sections (Daugavpils – Indra – national border, Rēzekne – Zilupe – national border, national border – Kārsava – Rēzekne) and the next railway undertaking of the train set continuing the movement from the border crossing points at Rēzekne and Daugavpils stations (border stations), according to the proportions determined by the share of the total distance of border sections and the total distance of the remaining sections of the railway infrastructure network. According to the current version of the network statement, the share of the total distance of border sections (Daugavpils – Indra – national border, Rēzekne – Zilupe – national border, national border – Kārsava – Rēzekne) in the railway infrastructure network is **10,5%**, while the share of the total distance of the remaining sections is **89,5%**.

If transportation in border sections is performed by a third-country railway undertaking on behalf of railway undertaking licensed in Latvia that has not concluded a contract with the infrastructure manager for the use of railway infrastructure, then the charge amounts **M** $_{param\ 1520\ s}$ in these sections are applied to the next railway undertaking of the train set continuing movement from Rēzekne or Daugavpils stations.

(amended by regulations of 29.12.2025.)

7. The charging body determines the charge **M** $_{rezer\ bfv\ 1520}$ for the part of the railway infrastructure capacity that is allocated in the capacity allocation plan, including when it is not used (application assurance payment), as the charge value **M** $_{rezer\ bfv\ krav}$ in accordance with the conditions contained in Paragraph 47 of the Scheme.

(amended by regulations of 03.08.2023.)

8. The criteria for market segmentation and determining markups:

(amended by regulations of 17.06.2022.)

8.1. the segmentation criteria based on the impact of different types of utilization of the railway infrastructure on the cost of railway infrastructure:

The charging body sets valuation criteria that characterize the impact of different types of utilization of the railway infrastructure on the cost of railway infrastructure in a specific market segment - **C** $_{s}$, taking into account the significance of the deviations from the full costs of services, comparing scenarios where one of the existing market segments is divided into smaller segments or the same market segment is not divided:

C $_{s}$ **= 0**, in cases where different influence of the criterion cannot be observed, or

$$\mathbf{C}_{s} = \Delta\mathbf{PI}_{param\ 1520\ s'} / \Delta\mathbf{PI}_{param\ 1520\ s''}, \text{ where}$$

$\Delta\mathbf{PI}_{param\ 1520\ s'}$ and $\Delta\mathbf{PI}_{param\ 1520\ s''}$ – the changes of full costs of the two potential services, if it is divided into market segments

Criterion	**Designation of the criterion**	**Evaluated pair of services**		**Determined value of the criterion**
		Justification of valuation of the criterion		
Impact on specialized infrastructure	**spec infra**	utilization of specialized railway infrastructure for specific type of services	utilization of specialized railway infrastructure for specific type of different services	**C** $_{spec\ infra\ s}$ **= 0**

		the increase of maintenance, renewal or operating costs of the infrastructure manager		no specialized infrastructure
Impact on annual working timetable	vilc kust	combined transportation	direct train traffic	$C_{vilc\ kust\ s} = 0$
		specific departure or arrival times within combined transportation increase train operating costs		coordination procedures are not registered
impact on railway infrastructure	tehnisk norm	technical specifications of trains correspond to the specifications indicated in the railway infrastructure network statement	technical specifications of trains do not correspond to the specifications indicated in the railway infrastructure network statement	$C_{tehnisk\ norm\ s} = 0$
		technical specifications are different from those indicated in the railway infrastructure network statement and increase / decrease maintenance, renewal or operating costs of the infrastructure manager		the different technical specifications of trains are taken into account in cost allocation
impact on environment	vide	trains that transport dangerous cargo	other freight trains	$C_{vide\ s} = 0$
		as a result of applicants' transportation, differing environment protection and safety costs are incurred		distinctive environment protection and safety costs are not observed
impact on traffic	tehnol norm	trains transporting all wagons from one point to one destination	trains that consist of wagons that are separate freight units and are coupled and uncoupled en route	$C_{tehnol\ norm\ s} = 0$
		technical specifications are different from those indicated in the railway infrastructure network statement and increase / decrease maintenance, renewal or operating costs of the infrastructure manager		no applications submitted with differing technological specifications

8.2. The segmentation criteria based on the increase of the productivity achieved by railway undertakings:

The charging body sets the valuation criterion that characterizes the increase of the productivity achieved by railway undertakings in a specific market segment – $\mathbf{V}_s$, taking into account the significance of the changes of the applicant's income fluctuations, that are incurred by differing quality of infrastructure services, comparing scenarios where one of the existing market segments is divided into smaller segments or the same market segment is not divided:

$\mathbf{V}_s = \mathbf{0}$, in cases where different influence of the criterion cannot be observed, or

$\mathbf{V}_s = \Delta\mathbf{I}_s' / \Delta\mathbf{I}_s''$, where:

$\Delta\mathbf{I}_s'$ un $\Delta\mathbf{I}_s''$ – the changes of the applicant's income using the two potential services, if it is divided into market segments.

Criterion	**Designation of the criterion**	**the evaluated pair of services** / **the justification of valuation of the criterion**		**the determined value of the criterion**
train priority	prior	domestic transportation	international transportation	$V_{prior\ s} = 0$
		priority given to a transportation service improves the provided service in comparison with competing transport modes		increase in productivity is not established

service consumer density	intens	urban or regional transportation	interurban transportation	$V_{intens\ s} = 0$
		train crosses railway infrastructure sections with differing service consumer density (population or loading/unloading volume)		increase in productivity is not established
through rate offer	integr pied	regular train traffic services	irregular train traffic services	$V_{integr\ pied\ s} = 0$
		transportation services are provided in accordance with uniform payment conditions throughout the logistics chain		no agreement on uniform charging schemes

(amended by regulations of 17.06.2022.)

8.3. The segmentation criteria based on the impact of infrastructure charge markup value on the competitiveness of the final services:

The charging body determines the criteria for assessing the optimal competitiveness of the railway in a specific market segment - S_s, choosing between R_s and J_s values, taking into account the planning document referred to in Paragraph 8 of the Scheme and national transport policy objectives, and based on expert assessment obtained in accordance with the procedure set out in Part III of Annex 3 of the Scheme.

(amended by regulations of 17.06.2022.)

8.[1] *(deleted as amended by regulations of 17.06.2022.)*

9. The charging body applies mark-ups **$MP_{param\ 1520\ s}$** within international 1520 traffic in various market segments according to the following list of market segments: *

9.1. for the period until 31 December 2025:

Market segment group	Market segment	Abbreviation of market segment $_s$	Market segment determination features		Other special market segment determination features
			in freight traffic - train index		
			first group	third group	
Wide gauge part of the railway network					
Freight services within international 1520 traffic	multimodal freight services within international 1520 traffic	**kontein 1520**	dispatching station outside EEA	receiving station in LDZ network or outside it (within EEA)	for freight services from or to the third countries where railway network rail width is 1520mm with operations provided in the list of international container and contrailer trains or the list of container and contrailer train routes for transportation in the territory of Latvia
			dispatching station in LDZ network or outside it (within EEA)	receiving station outside EEA	
			dispatching station outside EEA	receiving station outside EEA	
	coal freight services within international 1520 traffic	**ogl 1520**	dispatching station outside EEA or in LDZ network	receiving station in LDZ network	for coal freight services from or to the third countries where railway network rail width is 1520mm the coupling of other groups of freight wagons at a coupling or uncoupling station is allowed, if the train index is not changed
			dispatching station in LDZ network	receiving station outside EEA or in LDZ network	
	other freight services within international 1520 traffic	**citi 1520**	dispatching station outside EEA	receiving station in LDZ network or outside it (within EEA)	for freight services from or to the third countries where railway network rail width is 1520mm the coupling of other groups of freight wagons at a coupling or uncoupling station is allowed, if the train index is not changed
			dispatching station in LDZ network or outside it (within EEA)	receiving station outside EEA	
			dispatching station outside EEA	receiving station outside EEA	

** In the general case, the list of segments refers to transportation route trains in the international 1520 traffic. The list of segments applies also for transportation of empty wagons after unloading.*

9.2. for the period from 1 January 2026:

Market segment	Abbreviation of market segment	Market segment determination features			
		Wagon departure station indicated in the consignment note	Wagon destination station indicated in the consignment note	Wagon freight HKN code in the consignment note	Description and other market segment determination features
Freight services of intermodal transport units within international 1520 traffic	**kont 1520**	outside EEA	in the territory of Latvia or EEA	-	transportation of intermodal transport units from or to third countries with railway network track gauge of 1520 mm on platforms, whose departure station or destination station are located in the territory of Latvia, in EEA or outside EEA
		in the territory of Latvia or EEA	outside EEA		
		outside EEA	outside EEA		
Coal freight services within international 1520 traffic	**ogl 1520**	outside EEA	in the territory of Latvia or EEA	2701xxxx - 2702xxxx	transportation of coal from or to third countries with railway network track gauge of 1520 mm in wagons, whose departure station or destination station are located in the territory of Latvia, in EEA or outside EEA
		in the territory of Latvia or EEA	outside EEA		
		outside EEA	outside EEA		
Other freight services within international 1520 traffic	**citi 1520**	outside EEA	in the territory of Latvia or EEA	-	freight transportation from or to third countries with railway network track gauge of 1520 mm in wagons, whose departure station or destination station are located in the territory of Latvia, in EEA or outside EEA
		in the territory of Latvia or EEA	outside EEA		
		outside EEA	outside EEA		

(amended by regulations of 03.10.2025.)

10. *(deleted as amended by regulations of 02.07.2025.)*

11. In general, the payment conditions within international 1520 traffic are applied as provided by the Collection Scheme, replacing the tertiary indexes $_{krav}$ or $_{gr}$ for railway undertakings', applicants' and performers of individual technological processes' payment amount indicators with index $_{1520}$. For the period until 31 December 2025, the payment referred to in Subparagraph 6.1. of the Charging Scheme shall be applied in accordance with Subparagraph 12.1. of Annex 6 to the Scheme.

(amended by regulations of 02.07.2025.)

12. The payment for the minimum access package for providing international 1520 traffic including all railway infrastructure for providing train acceptance, handling and dispatching, as well as the access to the railway infrastructure connecting service facilities where freight trains are assembled and disassembled, and rolling stock is transferred for loading, unloading or to related sidings, the infrastructure manager applies:

12.1. for the period until 31 December 2025 in accordance with the following formula:

$$KM_{1520\ s} = M_{ceļ\ uztur\ 1520\ s} \times DR_{ceļ\ uztur\ 1520\ s} + M_{mez\ uztur\ 1520\ s} \times DR_{mez\ uztur\ 1520\ s} + N$$, where

$KM_{1520\ s}$ – the payment to be made by a railway undertaking for the railway infrastructure within international 1520 traffic in a specific market segment (euro);

$M_{ceļ\ uztur\ 1520\ s}$ – the value of the charge of railway infrastructure maintenance, renewal and train operating charging parameter for the minimum access package including all railway infrastructure for providing train acceptance, handling and dispatching, as well as the access to the railway infrastructure connecting service facilities where freight trains are assembled and disassembled, and rolling stock is transferred for loading, unloading or to related sidings in a specific market segment within international 1520 traffic determined by the charging body (*euro* per one train km, value added tax excluded);

DR $_{\text{ceļ uztur 1520 s}}$ – the number of train km actually travelled by the railway undertaking's freight trains in a specific market segment within international 1520 traffic in the relevant invoicing period;

M $_{\text{mez uztur 1520 s}}$ – the value of the charge of the maintenance and train operating charging parameter for providing access to the railway infrastructure connecting service facilities where freight trains are assembled and disassembled, and rolling stock is transferred for loading, unloading to related sidings in a specific market segment within international 1520 traffic determined by the charging body (*euro* per one train, value added tax excluded);

DR $_{\text{mez uztur 1520 s}}$ – the number of railway undertaking's freight trains actually moved through the places crossing the national border, as well as border stations (Meitene, Lugazi and Reņģe) and actually accepted in the final processing station in terrestrial transit traffic in a specific market segment within international 1520 traffic in the relevant invoicing period;

N – fees and taxes to be paid by the railway undertaking in accordance with the legislation in force in the Republic of Latvia (*euro*);

12.2. For the period starting from 1 January 2026, in accordance with the formula set out in Subparagraph 6.2. of the Collection Scheme, replacing the charge amounts **M** $_{\text{param krav s}}$ and performance indicators **DR** $_{\text{param krav s}}$ of charging parameters $_{\text{param}}$ with the corresponding charge amounts **M** $_{\text{param 1520 s}}$ and performance indicators **DR** $_{\text{param 1520 s}}$ of the relevant market segments within international 1520 traffic.

(amended by regulations of 02.07.2025.)

13. If wagons from the same or different market segments are identified in a trainset within international 1520 traffic, then the payment **KM** $_{\text{1520 s}}$ referred to in Subparagraph 12.1. of Annex 6 is applied in accordance with the proportion of wagons in each market segment for which the railway undertaking has entered information in the information systems of the infrastructure manager and the capacity allocation body.

(amended by regulations of 02.07.2025.)

14. *(deleted as amended by regulations of 29.12.2020.)*

15. *(deleted as amended by regulations of 29.12.2020.)*

Annex 7

The method of designation used in the Scheme

1. For indicating costs and their deviations the following designations are used in the Scheme:

1.1. **PI** – the full costs of the infrastructure manager: the full costs of the railway infrastructure which are necessary to ensure common access rights throughout the railway infrastructure and which are allocated by the infrastructure manager in accordance with the cost allocation method from its total costs to different service categories provided to railway undertakings for the provision of the minimum access package and the access to railway infrastructure connecting service facilities;

1.2. **PI '** – the adjusted **PI** value, where the infrastructure manager's financing costs are replaced with a reasonable profit margin in accordance with Sub-paragraph 35.1 of the Scheme;

1.3. ∆**PI** – changes in the full costs in the relevant programming period caused by the application of a differentiation instrument or the division of a market segment;

1.4. **NI** – the ineligible costs of the infrastructure manager: the ineligible cost of the railway infrastructure within the meaning of Regulation considering the explanations in Paragraph 17.

1.5. **KTI** – the direct costs of the infrastructure manager: the network-wide direct costs of the railway infrastructure within the meaning of Regulation;

1.6. **TI** – the average direct unit costs;

1.7. **F** – the railway infrastructure financing costs or the actual costs of the infrastructure manager for attracting financial means (interest payments), as well as costs that are related to the losses due to currency fluctuations;

1.8. the designations of the costs and their deviations are elaborated by indices in the following order (see example 1):

1.8.1. the primary index indicates the designation of the applicable differentiation instrument (are indicated only for ∆**PI** marker):

pārslodz – differentiation instrument related to the capacity enhancement plan;

infpr – differentiation instrument related to a specific investment project;

the primary index is not applied to other cost markers;

1.8.2. the secondary index indicates the designation of a cost parameter according to the activities referred to in Annex 1 to the Scheme and the activity of the performer of the essential functions:

ceļ uztur – the maintenance and train operating of the railway infrastructure;

mez uztur – the maintenance and train operating of the railway infrastructure providing access to railway infrastructure connecting service facilities;

atj – the renewal of the railway infrastructure;

elektr – the maintenance and renewal of traction electrical supply equipment;

bfv – the performing of the infrastructure manager’s essential functions;

param – any of the above-mentioned cost parameters;

1.8.3. the tertiary index indicates the designation of the relevant service group referred to in Subparagraphs 6.1 and 6.2 of the Scheme or of the international 1520 traffic:

pas – provision of passenger traffic according to Subparagraph 6.1 of the Scheme;

krav – provision of freight transportation according to Subparagraph 6.2 of the Scheme;

1520 – provision of international 1520 traffic;

$_{gr}$ – any of the above-mentioned service groups.

Example 1:

NI $_{ceļ\ uztur\ krav}$ – ineligible costs (NI) of maintenance and train operating of the railway infrastructure for providing freight transportation

∆**PI** $_{infpr\ ceļ\ uztur\ krav}$ – the changes of the direct maintenance and train operating costs of the railway infrastructure related to a specific investment project in freight traffic

2. For indicating performance indicators and their deviations the following designations are used in the Scheme:

2.1. **DR** – performance indicator;

2.2. ∆**DR** – the changes of the performance indicator that are caused by the application of a differentiation instrument;

2.3. the designations of the performance indicators and their deviations are elaborated by indices in the following order (see example 2):

2.3.1. the primary index indicates the designation of the applicable differentiation instrument causing the changes of performance indicator:

$_{pārslodz}$ – in a part of the railway infrastructure over the period of congestion;

$_{infpr}$ – in a part of the railway infrastructure where a specific investment project is being carried out;

$_{opt\ nosl}$ – as a result of the application of network the loading optimization discount the primary index is not applied to other performance indicators;

2.3.2. the secondary index indicates the designation of the related cost parameter characterized by the relevant performance indicator according to the activities referred to in Annex 1 to the Scheme and the activity of the performer of the essential functions:

$_{ceļ\ uztur}$ – for driving the maintenance and train operating costs of the railway infrastructure for the performance indicator of train km;

$_{mez\ uztur}$ – for driving the maintenance and train operating costs of the railway infrastructure providing access to railway infrastructure connecting service facilities for the performance indicator of the number of wagons used in railway traffic;

$_{atj}$ – for driving the renewal costs of the railway infrastructure for the performance indicator of gross tonne km;

$_{elektr}$ – for driving the costs of using, maintenance and renewal of traction electrical supply equipment for the performance indicator of the train km for trains that use electric traction;

$_{bfv}$ – for directing costs of performing the essential functions of the infrastructure manager for the performance indicator of the number of routes of the allocated railway lines;

$_{param}$ – any of the above-mentioned indicators;

(amended by regulations of 03.08.2023.)

2.3.3. the tertiary index indicates the designation of the related service group referred to in Subparagraphs 6.1 and 6.2 of the Scheme or of the international 1520 traffic characterized by the relevant performance indicator:

$_{pas}$ – for provision of passenger traffic according to Subparagraph 6.1 of the Scheme;

$_{krav}$ – for provision of freight transportation according to Subparagraph 6.2 of the Scheme;

$_{1520}$ – for provision of international 1520 traffic;

$_{gr}$ – for any of the above-mentioned service groups.

Example 2:

DR $_{\text{ceļ uztur krav}}$ – the performance indicator of train km for driving of the maintenance and train operating costs of the railway infrastructure within freight traffic

DR $_{\text{pārslodz ceļ uztur krav}}$ – the performance indicator of train km for driving of the maintenance and train operating costs of the railway infrastructure within freight traffic in a specific part of the railway infrastructure over the period of congestion

3. For indicating infrastructure charges, charge mark-ups, higher charges and differentiated charges the following designations are used in the Scheme:

3.1. **M** – the value of the charge set by the charging body;

3.2. **MU** – the value of the charge mark-up set by the charging body;

3.3. **MP** – the value of a higher charge within international 1520 traffic set by the charging body;

3.4. **A** – the amount of the discount set by the charging body;

3.5. the designations of infrastructure charges, charge mark-ups, higher charges and differentiated charges are elaborated by indices in the following order (see example 3):

3.5.1. by the primary index the designation of the applicable differentiation instrument influencing the amount of the charge, is identified, for example:

$_{\text{pārslodz}}$ – congestion charge;

$_{\text{vide}}$ – environment charge;

$_{\text{infpr}}$ – project charge;

$_{\text{sankc/komp/prēm}}$ – penalties (for actions which disrupt the operation of the railway network), compensations and bonuses (charge reductions to applicants) as interpreted by the railway network performance scheme;

$_{\text{tehpr}}$ – the charge for the capacity that is used for providing technological processes;

$_{\text{rezer}}$ – the charge for the part of the railway infrastructure capacity that is allocated in the capacity allocation plan, inclusive of that which is not used (application assurance payment);

$_{\text{apj}}$ – volume discount;

$_{\text{opt nosl}}$ – network loading optimization discount;

the primary index is not used for designation of other charges, charge mark-ups, charge increases and charge differentiation;

(amended by regulations of 17.06.2019.)

3.5.2. the secondary index indicates the designation of the related cost parameter characterized by the relevant infrastructure charges, charge mark-ups, higher charges or differentiated charges according to the activities referred to in Annex 1 to the Scheme and the activity of the performer of the essential functions:

$_{\text{ceļ uztur}}$ – for charges, charge mark-ups, higher charges or differentiated charges for the maintenance and train operating of the railway infrastructure;

$_{\text{mez uztur}}$ – for charges, charge mark-ups, higher charges or differentiated charges for the maintenance and train operating of the railway infrastructure providing access to railway infrastructure connecting service facilities;

$_{\text{atj}}$ – for charges, charge mark-ups, higher charges or differentiated charges for the renewal of the railway infrastructure;

$_{\text{elektr}}$ – for charges, charge mark-ups or differentiated charges for the use, maintenance and renewal of traction electrical supply equipment;

bfv – for charges or differentiated charges for performing the essential functions of the infrastructure manager;

param – for charges, charge mark-ups, higher charges or differentiated charges of any of the above-mentioned parameters;

3.5.3. the tertiary index indicates the designation of the related service group referred to in Subparagraphs 6.1 and 6.2 of the Scheme or of the international 1520 traffic relevant to the respective infrastructure charges, charge mark-ups, higher charges or differentiated charges:

pas – for provision of passenger traffic according to Subparagraph 6.1 of the Scheme;

krav – for provision of freight transportation according to Subparagraph 6.2 of the Scheme;

1520 – for provision of international 1520 traffic;

gr – for any of the above-mentioned service groups.

3.5.4. the corresponding abbreviation of the market segment mentioned in Annex 5 or 6 of the Scheme to which the infrastructure charge, charge mark-up, charge increase, or differentiated charge applies is indicated by a quaternary index:

sab pak pas – passenger services within the framework of a public service contract (within wide gauge network);

sab pak pas šs – passenger services within the framework of a public service contract (within narrow gauge network);

starpt pas – international passenger services within the European Economic Area;

citi pas – other passenger services (within wide gauge network);

citi pas šs – other passenger services (within narrow gauge network);

lab krav – grain freight services within domestic network and European Economic Area;

cmt krav – cement freight services within domestic network and European Economic Area;

kont bm krav – freight services of intermodal transport units within domestic network and European Economic Area (without the use of node infrastructure);

kont am krav – freight services of intermodal transport units within domestic network and European Economic Area;

skeld krav – wood chips freight services within domestic network and European Economic Area;

gran krav – wood pellets freight services within domestic network and European Economic Area;

rb krav – building materials delivery freight services for the construction of *Rail Baltica* infrastructure (without the use of node infrastructure);

np krav – petroleum products freight services within domestic network and European Economic Area;

citi krav – other freight services within domestic network and European Economic Area;

jaun krav – new freight services within domestic network and European Economic Area;

rgmz krav – freight services between Riga railway node stations;

tuks pf krav – empty wagons freight services (platforms);

tuks krav – empty wagons freight services (other wagons);

neid krav – unidentified freight services throughout the entire LDZ network;

kont 1520 – freight services of intermodal transport units within international 1520 traffic;

ogl 1520 – coal freight services within international 1520 traffic;

citi 1520 – other freight services within international 1520 traffic;

s – any one of the above mentioned or newly established market segments.

Example 3:

M $_{\text{ceļ uztur krav s}}$ – the charge value set by the charging body of the charging parameter for maintenance and train operating in a specific market segment within freight traffic

A $_{\text{apj atj pas sab pak pas}}$ – the amount of volume discount set by the charging body for the charge of railway infrastructure renewal parameter within passenger traffic in the market segment of the services provided within the framework of the public service contract

(amended by regulations of 29.12.2025.)

4. For indicating the indicators intended for calculating the infrastructure manager's reasonable profit margin the following designations are used in the Scheme:

4.1. **P** – the infrastructure manager's reasonable profit margin;

4.2. **RAB** – the value of the infrastructure manager's assets register;

4.3. ***wacc*** – weighted average cost of infrastructure manager's capital as a percentage;

4.4. $\mathbf{r_e}$ – return on equity;

4.5. $\mathbf{r_f}$ – risk-free rate – the average arithmetic interest rate of government long-term securities of the highest credit rating countries of the Organization for Economic Co-operation and Development (OECD), using the latest OECD report on government long-term bond rates;

4.6. $\mathbf{r_c}$ – pure premium, which includes a risk assessment of the country and of the industry;

4.7. $\mathbf{r_d}$ – the actual weighted average long-term loan rate of the infrastructure manager

4.8. **E** – the value of the equity at the end of the reference period;

4.9. **D** – the value of the borrowed capital at the end of the reference period;

4.10. the designations of charges, mark-ups, increased charges and differentiated charges are elaborated by indices in the following order (see example 4):

4.10.1. the primary index indicates the designation of the cost parameter related to the applicable reasonable profit margin according to the activities referred to in Annex 1 to the Scheme and the activity of the performer of the essential functions:

$_{\text{ceļ uztur}}$ – for the infrastructure manager's reasonable profit margin for the cost parameter of maintenance and train operating of the railway infrastructure;

$_{\text{mez uztur}}$ – for the infrastructure manager's reasonable profit margin for the cost parameter of maintenance and train operating of the railway infrastructure providing access to railway infrastructure connecting service facilities;

$_{\text{atj}}$ – for the infrastructure manager's reasonable profit margin for the cost parameter of renewal of the railway infrastructure;

$_{\text{elektr}}$ – for the infrastructure manager's reasonable profit margin for the cost parameter of the using, maintenance and renewal of traction electrical supply equipment;

$_{\text{bfv}}$ – for the infrastructure manager's reasonable profit margin for the cost parameter of performing the essential functions of the infrastructure manager;

$_{\text{param}}$ – for the infrastructure manager's reasonable profit margin for any of the above-mentioned parameters;

4.10.2. the secondary index indicates the designation of the related service group referred to in Subparagraphs 6.1 and 6.2 of the Scheme or of the international 1520 traffic relevant to the respective infrastructure manager's reasonable profit margin:

pas – for provision of passenger traffic according to Subparagraph 6.1 of the Scheme;

krav – for provision of freight transportation according to Subparagraph 6.2 of the Scheme;

1520 – for provision of international 1520 traffic;

gr – for any of the above-mentioned service groups.

Example 4:

P ceļ uztur krav – the profit margin for the charging parameter of the maintenance and train operating of the railway infrastructure within freight traffic

5. For indicating the allowable level of mark-ups and higher charges in a market situation the following designations are used in the Scheme:

5.1. ***mcb*** – a ratio characterizing the allowable level of mark-ups or higher charges in market conditions of a specific market segment, and which is determined as the maximum value of the value of the valuation criteria **C**, **V** and **S**;

5.2. **C** – a valuation criterion characterizing the impact of different types of utilization of the railway infrastructure on the costs of railway infrastructure within a specific market segment;

5.3. **V** – a valuation criterion that characterizes the productivity achieved by railway undertakings within a specific market segment;

5.4. **S** – a valuation criterion that characterizes the optimal railway competitiveness within a particular market segment which consists of criteria **J** and **R;**

5.5. **J** – a valuation criterion that characterizes the demand for the railway infrastructure capacity in a specific market segment;

5.6. **R** – a valuation criterion that characterizes the impact of the allowable level of mark-ups and higher charges on the competitiveness of the final service of a specific market segment

5.7. the indicators characterizing the allowable level of mark-ups and higher charges in a market situation are elaborated by indices in the following order:

5.7.1. the primary index, if necessary, indicates the reference or programming period relevant to the respective valuation criterion;

5.7.2. the secondary index indicates the designation of the valuation criterion of market segmentation according to Annex 3 to the Scheme:

spec infra – a valuation criterion that characterizes the impact on specialized infrastructure;

vilc kust – a valuation criterion that characterizes the impact on annual working timetable;

tehnisk norm – a valuation criterion that characterizes the impact on railway infrastructure;

vide – a valuation criterion that characterizes the impact on environment;

tehnol norm – a valuation criterion that characterizes the impact on traffic;

prior – a valuation criterion that characterizes train priority;

intens – a valuation criterion that characterizes consumer intensity;

integr pied – a valuation criterion that characterizes through rate offer;

5.7.3. the abbreviation of the market segment mentioned in Appendix 5 or 6 of the Scheme, to which the evaluation criterion applies, is indicated by the tertiary index:

sab pak pas – passenger services within the framework of a public service contract (within wide gauge network);

sab pak pas šs – passenger services within the framework of a public service contract (within narrow gauge network);

starpt pas – international passenger services within the European Economic Area;

citi pas – other passenger services (within wide gauge network);

citi pas šs – other passenger services (within narrow gauge network);

lab krav – grain freight services within domestic network and European Economic Area;

cmt krav – cement freight services within domestic network and European Economic Area;

kont bm krav – freight services of intermodal transport units within domestic network and European Economic Area (without the use of node infrastructure);

kont am krav – freight services of intermodal transport units within domestic network and European Economic Area;

skeld krav – wood chips freight services within domestic network and European Economic Area;

gran krav – wood pellets freight services within domestic network and European Economic Area;

rb krav – building materials delivery freight services for the construction of *Rail Baltica* infrastructure (without the use of node infrastructure);

np krav – petroleum products freight services within domestic network and European Economic Area;

citi krav – other freight services within domestic network and European Economic Area;

jaun krav – new freight services within domestic network and European Economic Area;

rgmz krav – freight services between Riga railway node stations;

tuks pf krav – empty wagons freight services (platforms);

tuks krav – empty wagons freight services (other wagons);

neid krav – unidentified freight services throughout the entire LDZ network;

kont 1520 – freight services of intermodal transport units within international 1520 traffic;

ogl 1520 – coal freight services within international 1520 traffic;

citi 1520 – other freight services within international 1520 traffic;

s – any one of the above mentioned or newly established market segments.

(amended by regulations of 29.12.2025.)

6. The publication deadlines are indicated in the Scheme as a time deviation from the deadline of the publication of the railway network performance statement (see example 5) using the following designations:

6.1. **X** – the deadline of the publication of the railway network performance statement;

6.2. **± n m** – a deviation from the deadline of the publication of the railway network performance statement in months, where n is the number of months;

6.3. **± z d** – a deviation from the deadline of the publication of the railway network performance statement in days where z is the number of days.

Example 5:

X - 4m – four months before the deadline of the publication of the railway network performance statement

7. Other designations can be used in the Scheme if their legend is included in the base text.

(amended by regulations of 29.04.2019.)

Annex 8

Principles of the procedure of allocating the costs of performing the essential functions

1. The record of the costs of the performer of the essential functions of the infrastructure manager and their allocation to specific service groups referred to in Subparagraphs 6.1 or 6.2 is executed in the enterprise resource planning system (SAP).

2. The costs are recorded into cost centers and other cost accumulation objects in a way that allows the allocation of the costs to the service groups referred to in Subparagraphs 6.1 or 6.2.

3. The record of the costs is executed according to the requirements related to the direct and ineligible costs within the meaning of Regulation.

4. The costs of the service are calculated using the financial data of the budget of the performer of the essential functions of the infrastructure manager for the programming period, as well as its information on the amount of the service applied for by undertakings, applicants and performers of individual technological processes and the number of railway line routes allocated to them, as well as actually used.

(amended by regulations of 03.08.2023.)

5. In order to allocate costs to the service groups referred to in Subparagraphs 6.1 or 6.2 the operating costs from the primary recording system are used that are divided into production and overall costs:

5.1. production costs include costs related to the provision of operation of the regional capacity allocation centers. Within the primary record of production costs, they are allocated to the freight traffic service group directly;

5.2. overall costs include costs related to the provision of the railway infrastructure capacity allocation process, as well as costs of making decisions on infrastructure charging and of analytical information necessary for making these decisions, administrative and other undivided costs.

6. The charging body adjusts the value of full costs of performing the essential functions $\mathbf{PI}_{bfv}$ by adding to it a reasonable profit margin $\mathbf{P}_{bfv}$, which is calculated by applying railway infrastructure cost normalization coefficients referred to in Annex 2 to relevant $\mathbf{PI}_{bfv}$ cost elements and thereby balancing the fluctuations that can appear during the programming period because of the general financing and personnel management[10] decisions made by the concern.

(amended by regulations of 13.10.2020.)

7. In the primary cost accounting, general costs are attributed to the service groups mentioned in Subparagraphs 6.1 and 6.2 of the Scheme, using the appropriate cost driver – the number of railway line routes allocated in the programming period.

(amended by regulations of 03.08.2023.)

8. The direct costs of one additional railway line route allocation unit $\mathbf{TI}_{bfv\ gr}$, arising from exceeding the planned service volume during the programming period (if additional railway line route allocation is carried out or the number of railway line routes actually allocated to trains of a specific service group of the applicant during the capacity allocation period exceeds planned), are calculated according to the following principles:

[10] within the meaning of Article 13.[1] of the Railway Law

8.1. the costs of capacity allocation outside of the capacity allocation plan for one additional railway line route include the wage costs of specific capacity allocation body employees with allowances for social insurance, determined taking into account the volume of work performed and the increase in work intensity for the allocation of one additional railway line route unit;

8.2. the increase in work intensity for the allocation of one additional railway line route is characterized by the volume of previously unplanned or unforeseen work that does not correspond to the specified remuneration or the contracted amount of work for employees performing the essential functions of the infrastructure manager, and is determined in percentage terms (in total no more than 200%) of specific employees salary and allowances for social insurance, based on the charging body's assumptions about the volume of additional work related to the allocation of additional railway line routes.

(amended by regulations of 03.08.2023.)

9. The costs of performing the essential functions can be transferred once a calendar year or in cases when the decisions on infrastructure charges or the amendments to the Scheme, the Collection Scheme, network Performance Scheme or capacity Allocation Scheme are taken by the performer of the essential functions.

(amended by regulations of 29.04.2019.)

10. If in fact, the expected value of full costs of performing the essential functions at the end of the previous programming period $\mathbf{PI}^{n-1}_{\text{bfv gr sagaid}}$ is more than 3% lower than the forecasted value of full costs of performing the essential functions in the previous programming period $\mathbf{PI}^{n-1}_{\text{bfv gr}}$ that was included in calculations of the amounts of application assurance payments in the previous programming period $\mathbf{M}_{\text{rezer bfv gr}}$,or if the revenues received in the previous programming period for capacity allocation outside the capacity allocation plan have been greater than the increase in actual costs for capacity allocation outside the capacity allocation plan, then the performer of the essential functions decreases full costs of performing the essential functions in the next programming period $\mathbf{PI}_{\text{bfv gr}}$ by the cost adjustment value $\mathbf{IK}^{n}_{\text{bfv gr}}$, which is determined according to the following formula:

$$\mathbf{IK}^{n}_{\text{bfv gr}} = \mathbf{PI}^{n-1}_{\text{bfv gr}} - \mathbf{PI}^{n-1}_{\text{bfv gr sagaid}} - \mathbf{NTI}^{n-1}_{\text{bfv gr sagaid}} \text{ , where}$$

$\mathbf{IK}^{n}_{\text{bfv gr}}$ – the adjustment of the cost of performing the essential functions in the relevant service group in the next programming period **n**;

$\mathbf{PI}^{n-1}_{\text{bfv gr}}$ – the value of full costs of performing the essential functions in the relevant service group in the previous programming period that was included in calculations of the amount of application assurance payments in the previous programming period;

$\mathbf{PI}^{n-1}_{\text{bfv gr sagaid}}$ – the expected fulfilment of full costs of performing the essential functions in the relevant service group in the previous programming period **n–1**;

$\mathbf{NTI}^{n-1}_{\text{bfv gr sagaid}}$ – the revenue received in the relevant service group for railway infrastructure capacity allocation outside the capacity allocation plan, for railway infrastructure capacity allocation in sections that have been granted railway infrastructure status after the date specified in the network statement as the late application submission deadline, as well as for railway infrastructure capacity allocation in accordance with the procedure specified in paragraph 4.[1] of the capacity allocation scheme, and the difference between the actual cost increase for railway infrastructure capacity allocation in the previous programming period n–1.

n – the next programming period or annual working timetable period.

(amended by regulations of 03.03.2025.)